Supreme Court, U. S.
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MICHAEL RODAK, JR., CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1975

No. 75-266

HYMAN KRAMER, doing business as HY KRAMER ENTERPRISES,

Petitioner,

v.

DURALITE COMPANY, INC., and G & A MACHINE WORKS, INC.,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

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INDEX TO PETITION

	PAGE
Opinions Below	1
Jurisdiction	2
Questions Presented	2
Constitutional Provisions, Statutes and Rules Involved	5
Statement of the Case	5
The Proceedings Below	5
The Parties and the Witnesses	7
The Patent in Suit	8
The District Court's Pertinent Findings of Fact	9
Pertinent Trial Testimony	10
Summary of Argument	12
Reasons for Granting the Writ	14
I. The Court Should Review the Decisions Below Because Those Decisions are in Conflict with the Prior Decisions of This Court on a Federal Question—Inventorship under 35 U.S.C. § 101 as Related to the Oath of the Patent Applicant under 35 U.S.C. § 115 and the Imposition of Sanctions Under 35 U.S.C. § 285. In Part, this Federal Question is One which has Not Been Considered by the Court for More than Half a Century and, in Part, it is an Important Question of Federal Law which has Not Been, but Should Be, Settled by the Court	14

PAGE

The Central Issue Remaining in this Case is the Truth or Untruth of Kramer's Oath of Inventorship 14

The Oath of Inventorship is Directed to the Substance of the Patent Application 15

The Inventor Is The One Who Conceives The Invention 16

Kramer Was The Sole Inventor Of The Claimed Subject Matter 18

In View of the Complexity of Inventorship Issues in Patent Cases, the District Court's Conclusion that Kramer Knowingly Lied When he Claimed to be the Sole Inventor is Unwarranted 21

The Statement by the Court of Appeals that Kramer's Actual Contribution as a Sole or Joint Inventor "Is not the Real Issue" is a Non-sequitur in View of that Court's Acknowledgment that the Remaining Issue in this Case Hangs on the Truth or Falsity of Kramer's Oath of Inventorship 23

II. The Court Should Review the Decisions Below Because Those Decisions Have Decided an Important Question of Federal Law which Has Not Been but Should Be, Settled by the Court—Whether a Trial Court's Finding of Perjury During the Course of a Civil Action for Infringement of a Patent Should be Sanctioned by an Award of Attorney Fees, Pursuant to 35

PAGE

U.S.C. § 285, or, if Punished at all, Should be the Subject Matter of Criminal Prosecution Pursuant to 18 U.S.C. § 1621 and Fed. Rules Cr. Proc., 18 U.S.C., Generally 25

III. The Court Should Review the Decisions Below Because the Decision of the District Court Has so Far Departed from the Accepted and Usual Course of Judicial Proceedings and the Decision of the Court of Appeals Has so Far Sanctioned such a Departure as to Call for an Exercise of This Court's Power of Supervision—Kramer Has Been Deprived of his Constitutional Rights to Due Process of Law 28

IV. The Court Should Review the Decisions Below Because These Decisions Will Have a Sweeping Impact on the Patent System Far Beyond Adjudicating the Rights of the Parties to this Action 31

V. The Court Should Exercise its Power of Judicial Supervision to Resolve a Clear Conflict Among the Recent Decisions of the Court of Appeals for the Second Circuit as to the Standard to be Applied in Ascertaining Whether a Case is so Exceptional as to Justify an Award of Attorney Fees Pursuant to Title 35 U.S.C. § 285, a Question of Federal Law Which Has Not Been, but Should be Settled by This Court. The Decision of the Court of Appeals in this Case is Also in Conflict with the Position of the Court of Appeals for the Tenth Circuit ... 34

Conclusion 36

INDEX TO APPENDIX

PAGE

Appendix A—Opinion and Order of District Court, Filed December 20, 1973 ..... 1a

Appendix B—Report and Recommendation of Magistrate, Dated June 10, 1974 ..... 6a

Appendix C—Memorandum Opinion of District Court Dated June 19, 1974 ..... 12a

Appendix D—Judgment of District Court Filed Augus 1, 1974 ..... 14a

Appendix E—Notice of Appeal Filed August 16, 1974 16a

Appendix F—Judgment Order of Court of Appeals Dated March 20, 1975 ..... 18a

Appendix G—Supplement Opinion of Court of Appeals Filed April 23, 1975 ..... 20a

Appendix H—Order of Court of Appeals Denying Supplemental Petition for Rehearing 23a

Appendix I—Order of Court of Appeals Denying Petition for Rehearing *En Banc* 24a

Appendix J—Amendment to Answer and Counterclaim by G & A 25a

Appendix K—Excerpts from Transcript of Trial Testimony 28a

Appendix L—Constitutional Provisions, Statutes and Rules Involved 39a

Appendix M—Specification and Claims of the Application for the Patent in Suit 43a

SUPPLEMENTAL APPENDIX

PAGE

Appendix N—Oath Submitted by Kramer to the Patent Office with the Application for the Patent in Suit 1SA

Appendix O—Trial Exhibit K, Prime Drawing Prepared by Gonsalves 3SA

Appendix P—Soft Copy of the Patent in Suit 4SA

Appendix Q—Print of Drawing as Originally Filed 8SA

TABLE OF AUTHORITIES

Cases:

Agawan Co. v. *Jordan*, 74 U.S. 583 (1869) 3, 12, 17, 18, 19, 20, 33, 36

Baldwin-Lima-Hamilton Corp. v. *Tatnall Meas. Sys. Co.*, 169 F.Supp. 1 (E.D. Pa. 1958), *aff'd*, 268 F.2d 395 (3d Cir. 1959), *cert. denied*, 361 U.S. 894 (1959) 29

Barr Rubber Products Company v. *Sun Rubber Company*, 425 F.2d 1114 (2d Cir. 1970), *cert denied*, 400 U.S. 878 (1970) 22, 29

Bussemer v. *Artwire Creations, Inc.*, 231 F.Supp. 798 (S.D.N.Y. 1964) 35

Congoleum Industries, Inc. v. *Armstrong Cork Co.*, 339 F.Supp. 1036 (E.D. Pa. 1972) 29

Delamere Co., Inc. v. *Taylor-Bell Co., Inc.*, 249 F. Supp. 471 (S.D.N.Y. 1966) 22, 35

Formal Fashions, Inc. v. *Braiman Bows, Inc.*, 254 F. Supp. 389 (S.D.N.Y. 1966), *aff'd*, 369 F.2d 536 (2d Cir. 1966) 35

PAGE

Frederick Iron N *Steel Co.* v. *Sanford Riley Stoker*..... *Co.*, 287 F. 495 (4th Cir. 1923) 20

Indiana General Corp. v. *Krystinel Corp.*, 421 F.2d 1023 (2d Cir. 1970), *cert. denied*, 398 U.S. 928 (1970) 34, 35

Indiana General Corp. v. *Krystinel Corp.*, 297 F. Supp. 427 (S.D.N.Y. 1969), *aff'd*, 421 F.2d 1023 (2d Cir.), *cert. denied*, 398 U.S. 928 (1970) 34

Kahn v. *Dynamics Corp. of America*, 508 F.2d 939 (2d Cir. 1975) 34

Kaplan v. *Helenhart Novelty Corp.*, 182 F.2d 311 (2d Cir. 1950) 22

Klein v. *American Casting & Mfg. Corp.*, 87 F.2d 291 (2d Cir. 1937) 18

Minerals Separation, Ltd. v. *Hyde*, 242 U.S. 261 (1916) 3, 12, 18, 19, 20, 33, 36

Mueller Brass Co. v. *Reading Industries, Inc.*, 352 F.Supp. 1357 (E.D. Pa. 1972), *aff'd*, 487 F.2d 1395 (3rd Cir. 1973) 21

P & D Sales & Mfg. Co. v. *Winter*, 334 F.2d 830 (7th Cir. 1964) 22

Pointer v. *Six Wheel Corp.*, 177 F.2d 153 (9th Cir. 1949), *cert denied*, 339 U.S. 911 (1950) 18

Q-Panel Co. v. *Newfield*, 482 F.2d 210 (10th Cir. 1973)

Constitution of the United States:

Amendment V 4, 5, 13, 27

Amendment VI 4, 5, 13, 27

PAGE

Statutes:

18 U.S.C. § 1621 .....5, 13, 25, 26, 27, 28

28 U.S.C. § 1254 2

28 U.S.C. § 1338 6

35 U.S.C. § 101 .....5, 14, 27

35 U.S.C. § 115 .....2, 5, 9, 12, 14, 27, 33

35 U.S.C. § 116 ..... 5, 33

35 U.S.C. § 256 ..... 5, 33

35 U.S.C. § 285 ...2, 3, 5, 6, 12, 13, 14, 15, 25, 26, 27, 34

Rules:

Rule 9(b), F.R. Civ. Proc., 28 U.S.C. 4, 5, 6, 30

Rule 52(a), F.R. Civ. Proc., 28 U.S.C. 5, 30

Rule 52(b), F.R. Civ. Proc., 28 U.S.C. 5, 6

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Deller's Walker on Patents, (Second Edition) Vol. 1, 1964 .....16, 17, 18, 31

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DURALITE COMPANY, INC., and
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Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

Petitioner, the plaintiff below, prays that the the Court issue a writ of certiorari to review the judgment, opinions and supplemental opinion of the United States Court of Appeals for the Second Circuit entered, respectively, on March 20, 1975, and on April 23, 1975.

Opinions Below

The opinion of the United States District Court for the Southern District of New York, dated December 20, 1973 (Appendix A to this Petition), is reported at —— F. Supp. ——, 181 U.S.P.Q. 326. The supplemental opinion of the United States Court of Appeals for the Second Circuit, dated April 23, 1975 (Appendix G), is reported at —— F. 2d ——, 185 U.S.P.Q. 641. Neither the report and recommendation of the Magistrate, dated June 10,

1974 (Appendix B), nor the opinion of the United States District Court for the Southern District of New York, dated July 19, 1974 (Appendix C) are, as yet, reported.

Jurisdiction

The judgment of the Court of Appeals for the Second Circuit was dated and entered on March 20, 1975. Petitioner's timely petition for rehearing *en banc* was denied on May 21, 1975, and this petition for certiorari was filed within 90 days of that date. Petitioner invokes the jurisdiction of this Court under 28 U.S.C. § 1254(1).

Questions Presented

I. Where a patentee conceived every novel improved feature of a patented device described and claimed in his application for patent, although not necessarily in the express terms of the ultimate patent claims, and employed another to exercise his routine design skills to reduce the improved device to drawing form and, ultimately, to physical form under the patentee's direction, is the patentee guilty of fraud on the Patent Office when he subscribes an oath and submits it to the Patent Office with his patent application, as required by 35 U.S.C. § 115, swearing, *inter alia*, that ". . . I verily believe that I am the original, first and sole inventor of the invention or discovery in . . . [the improved device] described and claimed therein"?

II. If, as apparently found by the Court of Appeals, this case was held to be exceptional and to justify an award of attorney fees pursuant to 35 U.S.C. § 285 solely because the courts below concluded that the patentee committed fraud on the Patent Office when he subscribed and filed with the Patent Office an oath swearing, *inter alia*, that he believed himself to be the sole inventor of the device described and claimed in his application for the patent

in suit, was it error and a denial of due process for the Court of Appeals to exclude from its consideration of this case on appeal as "not the real issue" the probable application of this Court's controlling decisions in *Agawam Co.* v. *Jordan*, 74 U.S. 583 (1869), and *Minerals Separation Ltd.* v. *Hyde*, 242 U.S. 261 (1916), to the only pertinent findings of fact expressed on the face of the District Court's opinion and, for that matter, to the incontestibly credible testimony of the infringers' own witnesses?

III. Should this Court breathe new life into its venerable doctrine that, as between one who conceives an invention and one who merely applies his ordinary skills in the applicable art, under the direction and subject to the approval of the conceiver, to reduce the invention to practice, the one who conceives the invention is the sole inventor thereof, a doctrine last considered and reiterated by this Court almost sixty years ago in *Mineral Separation, Ltd.* v. *Hyde*, 242 U.S. 261a(1916), a doctrine now apparently freely ignored by the Court of Appeals for the Second Circuit?

IV. Since the Patent Laws, Title 35 U.S.C., are silent as to perjury at trial of a civil action for infringement of a patent and since the Crimes Laws, Title 18 U.S.C., specifically include such conduct within the definition of the crime of perjury and fix and limit the punishment for this crime, should the application of the sanctions permitted by 35 U.S.C. § 285 be limited to actions in which fraud on the Patent Office or some other violation of the express provisions of the Patent Laws is properly found to the exclusion of a finding of perjury during trial?

V. Where, in a civil action, charges of behavior fairly embracing conduct amounting to a crime under the Crimes Laws, Title 18 U.S.C., if established, is made by way of affirmative defense and counterclaim against the plaintiff or where such behavior is expressly found by the trial

court, and where the applicable Federal statutes provide for the award of relief punitive in effect, if the charges are established, is the plaintiff entitled to the same or equivalent benefit of due process and burden of proof as would have applied had the same charges been the subject of a criminal action against him?

VI. Is the issue raised by Question V particularly appropriate for review by this Court where the charge of criminal behavior is also behavior especially required to be pleaded with particularity pursuant to Rule 9(b), F.R. Civ. Proc?

VII. Based upon all of the proceedings had herein as set forth in the Statement of the Case, *infra,* has Kramer been denied due process of law as guaranteed by the Fifth and Sixth Amendments to the Constitution of the United States?

VIII. Where the veracity of a patentee's customary oath of inventorship made and filed with the Patent Office with his application for the patent in suit is in issue on appeal, was it error for the Court of Appeals to find, after plenary briefing, argument and decision of the appeal and after the filing of the patentee's timely petition for a rehearing *en banc,* that:

1. The patentee's possible co-inventorship is not the real issue;
2. The patentee had testified at trial that he singlehandedly developed the angles that were critical to the success of the device;
3. Two witnesses testified that the patentee made no contribution to the choice of angles;
4. The trial judge concluded that the patentee was not telling the truth;

5. From this the trial court was justified in finding that the patentee had defrauded the Patent Office when he claimed to be the sole inventor; and
6. Clearly, such fraud renders the case exceptional within the meaning of 35 U.S.C. § 285;

notwithstanding that the opinion of the trial court made no mention of angles, where the record shows that the patent application to which the patentee's oath, when filed, was appended specified only one angle (the leg support angle) in numerical terms, and where the same two trial witnesses alluded to by the Court of Appeals both testified that the patentee had instructed them that the critical leg support angle had to be maintained?

Constitutional Provisions, Statutes and Rules Involved

The questions presented by this petition require interpretation of the Constitution of the United States, Amendments V and VI, the Crimes Laws, Title 18 U.S.C. § 1621, the Patent Laws, Title 35 U.S.C. §§ 101, 115, 116, 256 and 285 and the Federal Rules of Civil Procedure, Title 28 U.S.C., Rules 9(b) and 52, all of which are set forth at length in Appendix L to this petition.

Statement of the Case

The Proceedings Below:

The case presented by this petition was originally brought, as two separate civil actions for patent infringement, in the United States District Court for the Southern District of New York by the petitioner, Hyman Kramer ("Kramer" hereinafter), against the respective respondents, Duralite Company Inc. ("Duralite" hereinafter), and G & A Machine Works, Inc. ("G & A" hereinafter), pursuant to the Patent Laws of the United States, Title 35 U.S.C., for infringement of United States Letters

Patent No. 3,310,268 ("the patent in suit" hereinafter) isued March 21, 1967, in the name of Kramer as sole inventor (Appendix P). Jurisdiction was conferred upon the District Court by Title 28 U.S.C. § 1338(a). G & A counterclaimed for damages alleging, without the particularity required by Rule 9(b) F.R. Civ. Proc., 28 U.S.C., fraud on the Patent Office by Kramer (Appendix J). Both G & A and Duralite admitted infringement of the patent in suit. The two actions were consolidated for trial.

After trial, the District Court entered an opinion and order (Appendix A) holding the patent in suit to be invalid and unenforceable for *inter alia,* "absence of invention" (App. 3a) and that Kramer "was not the creator of the design or device and lied when he said he was" (App. 4a), denying G & A's counterclaim (App. 4a) and finding the case such an exceptional one as to warrant the award of attorney fees to G & A under 35 U.S.C. § 285 (App. 4a-5a).

In the belief (derived from study of the aforementioned District Court opinion and order (Appendix A) that the District Court had misapprehended the law of inventorship, Kramer filed with the District Court a motion pursuant to Rule 52(b), F.R. Civ. Proc., 28 U.S.C., fully briefing the inventorship issue in much the same form and content as this issue is argued hereinafter under Reasons for Granting the Writ. The District Court summarily denied this motion in all respects the day after it was filed.

Thereafter, upon order of the District Court (App. 5a), a hearing was held before a Magistrate to determine the amount of the attorney fee award. The Magistrate's report and recommendation (Appendix B), which recommended an award of $16,970.00, was confirmed in all respects by the District Court in a memorandum opinion (Appendix C). The judgment (Appendix D) of the District Court was entered accordingly.

On appeal to the United States Court of Appeals for the Second Circuit, Kramer did not appeal the conclusion of the District Court that the patent in suit was invalid for "absence of invention". Kramer's appeal was limited to so much of the District Court's decision as found him guilty of fraud on the Patent Office by claiming to believe himself to be the sole inventor of the subject matter of the patent in suit and as awarded attorney fees on this basis (Appendix E).

After the submission of briefs and oral argument of the appeal, the Court of Appeals issued a judgment order (Appendix F) affirming the District Court's judgment on the basis of the District Court's two opinions (Appendices A and C). Kramer filed a timely petition for rehearing *en banc.* Thereafter, the Court of Appeals filed a supplemental opinion (Appendix G) in response to which Kramer sought and was granted leave to file a supplemental petition for rehearing. By orders dated May 15, 1975 (Appendix H), and May 21, 1975 (Appendix I), the Court of Appeals denied, respectively, Kramer's supplemental petition for rehearing and petition for rehearing *en banc.*

The Parties and the Witnesses:

At the time of the "invention"[1] or innovation which is the subject matter of the patent in suit, Kramer was in the business of manufacturing and selling metal stampings, especially those designed to function as components of tubular folding furniture such as lawn chairs, cots and the like. G & A was a competitor of Kramer in this line of business, and Duralite was a customer of G & A.

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[1] The District Court has held that the innovation covered by the patent claims in suit was obvious at the time it was made and, therefore, was not patentable invention. Although Kramer does not dispute that holding on this petition, the expressions, "invention" and "inventor" will be used herein to facilitate argument of the issues raised by the lower courts' decisions to which this petition is directed.

Kramer's personal sphere of activity at that time was to sell the metal stamping products to various customers and to specify in detail the type, design and construction of the products to be manufactured for sale. The actual manufacture of Kramer's products, while directed by Kramer to a large extent, was performed by an independent company, Erie Packaging Corp. ("Erie" hereinafter) which utilized stamping machinery owned by Kramer for that purpose. Two of the principals of Erie were George Gonsalves ("Gonsalves" hereinafter) and Felice Dosso ("Dosso" hereinafter). In addition to manufacturing products for Kramer, Gonsalves functioned as Kramer's die designer. That is, he designed, pursuant to Kramer's orders, the various dies and fixtures which were mounted in Kramer's conventional stamping presses to produce the specific products manufactured. For all practical purposes, Gonsalves functioned much like a part-time employee of Kramer.

The Patent in Suit:

Having conceived the essential features of an improved and cheaper hinge bracket for a folding cot, Kramer approached Gonsalves for the purpose of having Gonsalves complete the detailed design of the bracket and the die for producing it.

According to Gonsalves' testimony, on this occasion, Kramer gave Gonsalves detailed instructions as to the specific design features of the improved bracket. Moreover, on this occasion, Kramer and Gonsalves sat down together, as was their custom (App. 30a), to discuss how Kramer's objectives might be achieved (App. 30a). Kramer approved (App. 29a) the completed preliminary hinge bracket blank design as depicted in trial exhibit K prime (Appendix O).

Thereafter, Kramer disclosed the improved hinge bracket to his patent solicitor, J. Harold Kilcoyne, who drafted

the specification and claims for the patent in suit (Appendix M). As part of the relevant patent application, Kramer subscribed and swore to the customary oath (Appendix N) prescribed by the Patent Laws, 35 U.S.C. § 115, stating, *inter alia,* that:

> "I verily believe that I am the original, first and sole inventor of the invention or discovery in HINGE BRACKETS described and claimed therein."

Kramer instructed Gonsalves to imprint "patent pending" on the improved hinge brackets which Gonsalves produced and Kramer sold (App. 28a). In accordance with Kramer's instructions, Gonsalves continued to so imprint the improved hinge brackets in such a manner until the patent in suit issued. Thereafter, the number of the patent in suit was imprinted on the improved hinge brackets.

The District Court's Pertinent Findings of Fact:

The District Court's opinion and order (Appendix A) contains scant findings of fact which are pertinent to the question of who was the inventor or innovator of the patented improved hinge bracket. However, the District Court did find "nesting" to be the crux of the patented invention (App. 3a).

> "The alleged invention improves on the prior art by 'nesting' the brackets and thus minimizing the amount of scrap involved in the sheet metal stamping process."

Indeed, the Trial Court held the patent to be invalid and unenforceable for lack of invention solely because it found that "nesting" was old in the sheet metal art (App. 3a).

> "Here it is well known that 'nesting' to save scrap in a sheet metal stamping process is an old art and thus cannot be considered an 'invention' to be covered by patent protection. On this basis alone I would hold the patent in question invalid and unenforceable."

But the District Court also found that Kramer alone conceived this same crucial concept of "nesting" the patented hinge bracket blanks and directed his tool designer, Gonsalves, to design a practical embodiment of this concept (App. 4a).

> "Other testimony revealed that apparently the plaintiff [Kramer] approached George Gonsalves of Erie Packaging Corp. and his fellow-principal Felice Dosso (both of whom testified) with a sample of a leg hinge bracket of the prior art and requested Gonsalves to design a 'nesting' pattern of blanks to be made of a lighter gauge material with reinforcing ribs contained therein."

Pertinent Trial Testimony:

Uncontroverted pertinent testimony was adduced at trial which reinforces and expands the District Court's scant findings of fact with respect to Kramer's role in the conception as well as the reduction to practice of the improved hinge bracket. Since the District Court has flatly stated that Kramer's testimony reiterating his claim that he was the sole inventor of the improved hinge bracket in much the same words as the oath he subscribed to in his application for the patent in suit was totally incredible (App. 4a) and has, thereby, cast a shadow over the credibility of all testimony by Kramer at trial, Kramer will necessarily rely entirely on the testimony of G & A's own witnesses' testimony which the District Court must necessarily have believed, to detail the facts pertinent to this petition.

Turning, then, to the trial testimony of Gonsalves and Dosso, it is clear that Kramer, having conceived the essential features of the improved hinge bracket, employed Gonsalves to assist him in its reduction to practice (App. 29a-30a). Kramer's instructions to Gonsalves with respect to this objective included:

1. direction to save material by "making the bracket out of the least amount of material" and to use "a thinner gauge" (App. 30a, 33a);

2. direction to preserve the critical function of the bracket by maintaining the correct support angle for the leg portions of the bracket (App. 31a, 38a);

3. direction to "interlock" [nest] the blanks so "that it should not have any scrap" (App. 31a);

4. direction as to number and location of mounting holes (App. 31a-32a);

5. direction as to size of holes (App. 32a);

6. direction to provide the locking depressions in the bracket (App. 28a, 32a-33a);

7. suggestion that the product be altered to make it more possible to nest it (App. 33a);

8. a request for reinforcing ribs (App. 33a);

9. a request that a saddle be provided in the improved product (App. 33a); and

10. "much more" (App. 31a).

Moreover, Gonsalves testified as to Kramer's participation in these routine design efforts:

1. that "we might have sat down together and said, 'Let's see how we could do it'" (App. 30a);

2. that it was customary to have such discussions (App. 30a); and

3. that he specifically recalled there being such a discussion in this instance (App. 30a).

Gonsalves also testified that his resultant drawing (Appendix O) was shown to Kramer "for his approval as to the design of the part" (App. 29a).

Summary of Argument

In the ensuing "Reasons for Granting the Writ", petitioner will argue the importance and effect of the "Questions Presented", *supra,* as well as the error of the Court of Appeals, as stated in its supplemental opinion (Appendix G) with reference to the applicable constitutional, statutory and case law, the express findings of fact and conclusions of law of the District Court and the uncontroverted testimony of the infringers' own witnesses in the record. Since the Court of Appeals, by judgment order dated March 20, 1975 (Appendix F), has adopted the opinions of the District Court as its own (App. 19a), the error contained in those opinions will also be argued.

The Court of Appeals has grounded its affirmance of the District Court's award of attorney fees herein pursuant to 35 U.S.C. § 285 on a ruling that the District Court was justified in finding that Kramer had defrauded the Patent Office (App. 21a) and has thereby presumedly grounded the District Court's decision on the same finding. The fraud found is, apparently, that Kramer lied to the Patent Office when he submitted his conventional oath as required by 35 U.S.C. § 115 that he believed himself to be the sole inventor of the subject matter described and claimed in the application for the patent in suit (App. 4a, 21a).

On appeal, Kramer argued that *truth* of the inventorship allegation in the oath would be a complete defense to the fraud finding and that the truth of these inventorship allegations was fully supported by the controlling decisions of this Court in *Agawam Co.* v. *Jordan,* 74 U.S. 583 (1869), and *Minerals Separation, Ltd.* v. *Hyde,* 242 U.S. 261 (1916), as applied to the pertinent express findings of fact on the face of the District Court's opinion and to the uncontroverted testimony of G & A's own witnesses. This issue is again presented by this petition.

The Court of Appeals, however, stated that the truth of the inventorship allegations in the oath was "not the real issue" and concluded that perjury by Kramer at trial had indirectly justified the fraud conclusion and the attorney fee award. The trial court's opinion on this point is ambiguous. Accordingly, it seems that perjury at trial may have formed the sole or a conjoint basis for the award of attorney fees herein.

Kramer argues that perjury at trial is an offense against the Federal judicial system rather than against the Patent Laws, and is, therefore punishable, if at all, under 18 U.S.C. § 1621 rather than under 35 U.S.C. § 285.

Kramer also respectfully submits that, due to the either criminal (pursuant to 18 U.S.C. § 1621) or quasi-criminal (pursuant to 35 U.S.C. § 285) nature of the offense for which he has been punished and the conduct of his "charge", "conviction" and "punishment" for this offense, he has been deprived of his guarantees of due process of law under the Fifth and Sixth Amendments to the Constitution of the United States.

Also pertinent to this petition is the importance and widespread occurrence of inventorship issues with respect to patents.

The recent decisions of the Court of Appeals for the Second Circuit as to the standards for attorney fee awards in cases raising issues as to the veracity of oaths submitted to the Patent Office are in conflict with each other, and the decision on that point in this case is in conflict with a recent decision of the Court of Appeals for the Tenth Circuit.

Reasons for Granting the Writ

I. The Court Should Review the Decisions Below Because Those Decisions are in Conflict with the Prior Decisions of This Court on a Federal Question—Inventorship under 35 U.S.C. § 101 as Related to the Oath of the Patent Applicant under 35 U.S.C. § 115 and the Imposition of Sanctions Under 35 U.S.C. § 285. In Part, this Federal Question is One which has Not Been Considered by the Court for More than Half a Century and, in Part, it is an Important Question of Federal Law which has Not Been, but Should Be, Settled by the Court.

The Central Issue Remaining in this Case is the Truth or Untruth of Kramer's Oath of Inventorship

The central issue remaining in this case, once lack of invention for obviousness was disposed of, is whether Kramer committed fraud on the Patent Office when he filed his application for the patent in suit and, as required by 35 U.S.C. § 115, subscribed and submitted therewith the customary oath swearing, *inter alia,* that:

> "I verily believe that I am the original, first and sole inventor of the invention or discovery in HINGE BRACKETS described and claimed therein." (Appendix N)

The opinion of the District Court (Appendix A), adopted by the Court of Appeals as its own (Appendix F), as well as the supplemental opinion of the Court of Appeals (Appendix G), both fairly support this definition of the central issue here involved. The District Court found that

> "In his direct testimony Kramer reiterated the claim that he was the sole inventor of the leg hinge bracket

> in much the same words as the oath he subscribed to in his application for the patent. I find that this testimony of the plaintiff was totally incredible and wholly false." (App. 4a)

and the Court of Appeals similarly found that:

> "There was no dispute that G & A had infringed the patent; the chief issues before Judge Duffy were G & A's claims that the invention was obvious and that Kramer had defrauded the Patent Office.
>
> • • •
>
> ". . . the court was justified in finding that Kramer had defrauded the Patent Office when he claimed to be the sole inventor.
>
> Clearly such fraud renders this case exceptional within the meaning of 35 U.S.C. § 285" (quotation and citations omitted) (App. 21a).

Indeed, fraud on the Patent Office is the only conclusion stated in either opinion which, if correctly found, could fairly support the conclusion that the case was "exceptional" and the resultant award of attorney fees. (See pp. 25-27, *infra*).

What, then, is the nature of the fraud which Kramer has been found to have committed on the Patent Office? While G & A's answer and counterclaim (Appendix J., App. 25a-26a) charged him (misleadingly) with having concealed from the Patent Office the most applicable prior art known to him, both courts below have concluded that his oath of inventorship (Exhibit N) was fraudulent in that he swore that he, rather than Gonsalves, was the sole inventor of the improved novel hinge bracket described and claimed in the patent application.

The Oath of Inventorship is Directed to the Substance of the Patent Application.

In assessing the veracity of a patentee's oath of inventorship, it is important to bear in mind the usual relation-

ship between an inventor and his patent solicitor and the respective functions of each. In order to make a complete disclosure of the invention to the patent solicitor, the inventor need only describe or portray all of the essential physical features of the novel device to the solicitor. This may be done by way of written description, drawings or sketches, a model or sample of the device itself or a combination of the foregoing. Thereafter, it is the patent solicitor's function to depict, describe and claim the device in the patent application in such terms as will adequately teach the public the nature and function of the device and will patentably distinguish it from the prior art.

Thus, a patent applicant need not make oath that he personally, drafted the drawings, specification and claims which form his patent application or that he selected the particular language and limitations ultimately utilized to describe and claim his invention in the patent. This is his patent solicitor's function. It is sufficient that the inventor swear that he believes that the specification and claims accurately *describe, limit and pertain to the physical device which he has invented* whether his invention was born in those or other terms and form. Kramer's failure, if such be the case, to have *numerically specified* the angles prior to Gonsalves' reduction of the invention to drawing form detracts nothing from whatever Kramer's inventive activity may be shown, *by Gonsalves' own testimony,* to have been. If, as is the case, the issue is fraud on the Patent Office, whether or not Kramer instructed Gonsalves or his patent solicitor *in numerical terms* as to the specific angles to be employed is immaterial.

The Inventor Is The One Who Conceives The Invention

Patentable invention begins with conception of the invention. The inventor mentally conceives a new and useful objective or improvement and, generally, the means of achieving the objective. *Deller's Walker on Patents* (*Second Edition*), Vol. I, 1964, at pp. 177, 191. Conception is complete "when the inventive idea is crystalized in all of its essential attributes and becomes so clearly defined in the mind of the inventor as to be capable of being converted to reality and reduced to practice by the inventor *or by one skilled in the art''* (emphasis supplied). *Deller's, supra,* at p. 192. At the moment of conception, the invention is full blown as it were.

Thereafter, unless the invention is abandoned by the inventor (conceiver), it is "reduced to practice" either *actually* by the making of an operable device or *constructively* by the filing of a patent application. *Deller's, supra,* at pp. 201-202, 210. The reduction to practice, which completes the invention, may be accomplished by the inventor himself *or by his agent. Deller's, supra,* at p. 203.

> "To constitute a man an inventor, it is not necessary for him to have skill enough to embody his invention in a working machine, or in a model, or even in a drawing. If a man furnishes all the ideas needed to produce the invention aimed at, he may avail himself of the mechanical skill of others, to practically embody or represent his contrivance, and still be the sole inventor thereof.'' *Deller's, supra,* at p. 187.

Nor will the suggestions or improvements of the inventor's agent in the reduction to practice defeat sole inventorship by the conceiver. In its classic statement of law on this subject, *Agawam Co.* v. *Jordan,* 74 U.S. 583, 602 (1869), this Court stated that:

> ". . . where a person has discovered an improved principle in a machine, manufacture, or composition of matter, and employs other persons to assist him in carrying out that principle, and they, in the course of experiments arising from that employment, make valuable discoveries ancillary to the plan and preconceived design of the employer, such suggested improvements are in general to be regarded as the prop-

erty of the party who discovered the original improved principle, and may be embodied, in his patent as a part of his invention."

In a more recent case, *Minerals Separation Ltd.* v. *Hyde*, 242 U.S. 261, 270 (1916), this Court reasserted the *Agawam* doctrine against a somewhat different factual situation.

> "The claim that the patentees of the patent in suit are not the original discoverers of the process patented because an employee of theirs happened to make the analyses and observations which resulted immediately in the discovery, cannot be allowed. The record shows very clearly that the patentees planned the experiments in progress when the discovery was made; that they directed the investigations day by day, and that they interpreted the results. *Agawam Company* v. *Jordan*, 7 Wall. 583-603, rules this claim against the defendant."

Kramer Was The Sole Inventor Of The Claimed Subject Matter

The fact that the patent in suit was issued in Kramer's name as sole inventor "is, in itself, prima facie proof of that fact. And the burden is upon him who makes an assertion contrary to the presumption to prove it" (*Pointer* v. *Six Wheel Corp.*, 177 F.2d 153, 157 (9th Cir. 1949), *cert. denied*, 339 U.S. 911 (1950)). The same decision (*Ibid.*) establishes the standard of proof required to establish joint inventorship in the face of a sole inventor patent. The standard of proof required is "clear and convincing proof" (*Id.* at 157, *Deller's, supra,* at p. 182). The Court of Appeals for the Second Circuit has viewed the defense of lack of invention by the named inventor to be a technical one to be "regarded with disfavor" by the court. *Klein* v. *American Casting & Mfg. Corp.*, 87 F.2d 291, 294 (2d Cir. 1937).

Although the trial testimony herein reveals some controversy between the witnesses (Kramer, Gonsalves and Dosso) as to the details of events which happened many years earlier, the main thrust of the testimony as to the facts surrounding the inventive process is clear. *Kramer*, even according to Gonsalves, conceived the new and useful *objective* of making a far cheaper hinge bracket for folding cots. The means for achieving this objective was conceived by *Kramer* to be savings in steel and plating costs. To this end, *Kramer* also conceived that the hinge bracket blanks should be "nested" in the full width of the steel strip from which they are stamped and that a lighter gauge of material could be used if reinforcing ribs were provided in the product (App. 4a, 30a, 31a, 33a).

As indicated in the Statement of the Case (at p. 9, *supra*), the District Court, in its opinion, herein (App. 3a), characterized the "alleged invention" herein to be "nesting" of the bracket blanks, that is, matching (to a great extent) the top and bottom edges of successive blanks in the stamping strip. Having done so, the District Court (App. 4a) found specifically that Kramer requested that Gonsalves *"nest"* the blanks as well as provide for reinforcing ribs, and a lighter gauge material. Thus, *based on the District Court's own findings,* as stated in its opinion, *Kramer alone conceived what the Court regards as the "alleged invention"*. The District Court's opinion and order, insofar as it concluded that (App. 4a):

> ". . . the design was invented by Gonsalves, not the plaintiff"

and awarded attorney fees to G & A on this basis is, therefore, clearly erroneous on its face.

The District Court clearly acted contrary to the established law of inventorship as is exemplified by this Court's landmark decisions in *Agawam Co.* v. *Jordan, supra,* and *Minerals Separation, Ltd.*, v. *Hyde, supra.* Further, for an

employed designer's contribution to the practical embodiment to rise to the level of "co-inventorship", it is necessary that the designer's contribution, itself, have risen to the level of invention (*Agawam, supra,* at 602-603). By the District Court's own decision (App. 3a), no such contribution was made here.

As further indicated in the Statement of the Case (at p. 11, *supra*), Gonsalves' testimony with respect to his employment by Kramer as his agent to assist in the reduction to practice of Kramer's conception, clearly indicates that Kramer instructed him with respect to every essential feature of the improved hinge bracket. Having been thus completely instructed as to Kramer's conception, Gonsalves was faced only with a routine design layout of the blank and strip and the resultant design of the die to make the bracket. As Gonsalves realized *from Kramer's* instructions, "the location of the hinging holes as compared to the saddle has to remain" (App. 34a), the "bottom of the blank has to match the top of the blank" (App. 34a), and as a logical result that, "the bottom end is the only part that could be changed to any degree" (App. 34a). Such routine design considerations can hardly be equated to invention over Kramer's detailed instructions. No calculations were necessary for Gonsalves' preliminary layout (App. 34a-35a). Gonsalves' testimony with respect to his and Kramer's participation in the reduction to practice of the invention is on all fours with the views of this Court as expressed in *Agawam, supra,* and *Minerals, supra.*

Moreover, the presumption that Kramer was the sole inventor is enhanced by Gonsalves' inaction in the face of his knowledge of Kramer's claim to sole inventorship in his patent application. *Frederick Iron & Steel Co.* v. *Sanford Riley Stoker Co.,* 287 F. 495, 499 (4th Cir. 1923). Gonsalves has testified that, had he known about the Patent Laws at the time that he was manufacturing brackets with "patent pending" on them, he would have taken some action with respect to Kramer's application (App. 35a). But he also testified that he had retained a patent attorney and knew something about the Patent Laws at that very time (App. 37a).

From the foregoing, the conclusion is inescapable that Kramer subscribed an honest oath and submitted it to the Patent Office when he swore that he believed that he was the sole inventor of the improved hinge bracket described and claimed in his application for the patent in suit.

1. This conclusion is fully supported by the meagre findings of fact set forth on the face of the District Court's opinion and order.
2. This conclusion is fully supported by the testimony of G & A's own witnesses, Gonsalves & Dosso, whom the District Court must necessarily have believed.
3. This conclusion, therefore, raises no issues of material fact or credibility issues.
4. This conclusion is fully supported by this Court's controlling decisional law.

In View of the Complexity of Inventorship Issues in Patent Cases, the District Court's Conclusion that Kramer Knowingly Lied When he Claimed to be the Sole Inventor is Unwarranted

This Court should not be misled by the District Court's inexperienced statement that "this case presents a once-in-a-lifetime situation wherein the defendant not only argues that, if there is an invention, someone other than the patent owner invented it." Inventorship is, after all, one of the most difficult and common questions encountered in the patent law. See, for example, the recent decision in *Mueller Brass Co.* v. *Reading Industries, Inc.,* 352 F. Supp. 1357, 1372 (E.D. Pa. 1972), *aff'd,* 487 F. 2d 1395 (3rd Cir.

1973):

> "The exact parameters of what constitutes joint inventorship are quite difficult to define. It is one of the muddiest concepts in the muddy metaphysics of the patent law." (See also the treatise passages cited and quoted at pp. 31-32, *infra*).

In view of the aforestated fact testimony by Gonsalves, it was unreasonable and contrary to the evidence for the District Court to conclude that Kramer "lied" or knowingly and falsely testified when he claimed to be the sole inventor or creator of the patented hinge bracket blank. As has been shown on Gonsalves' testimony alone, Kramer is the sole inventor of what the District Court characterized as the "alleged invention" herein. And, even if the District Court rejected Kramer's claim to sole inventorship, it could not reasonably fail to recognize that Kramer was, at the very least, a joint inventor in an important way. (See *P & D Sales Mfg. Co.* v. *Winter*, 334 F. 2d 830, 836 (7th Cir. 1964)). *Without Kramer, the hinge bracket blank design would never have come into being at all.* Kramer's claim to sole inventorship is a legal conclusion based upon diverse facts rather than a statement of a discrete objective fact. A statement by an affiant of what amounts to no more than an erroneous conclusion of law will not sustain a charge of perjury or fraud. *Barr Rubber Products Company* v. *Sun Rubber Company*, 425 F.2d 1114, 1125 (2d Cir. 1970), *cert. denied*, 400 U.S. 878 (1970).

Moreover, Kramer, like any other patentee, is entitled to a reasonable belief in the validity of his own patent. *Kaplan* v. *Helenhart Novelty Corp.*, 182 F.2d 311, 314 (2d Cir. 1950). This is true with respect to the often confused issue of sole or joint inventorship as well as with respect to obviousness. *Delamere Co., Inc.* v. *Taylor-Bell Co., Inc.*, 249 F. Supp. 471 (S.D.N.Y. 1966). Kramer's claim of sole inventorship is not so wholly devoid of substance as to justify an award of attorney fees to G & A.

The Statement by the Court of Appeals that Kramer's Actual Contribution as a Sole or Joint Inventor "Is not the Real Issue" is a Non-sequitur in View of that Court's Acknowledgment that the Remaining Issue in this Case Hangs on the Truth or Falsity of Kramer's Oath of Inventorship

The Court of Appeals is guilty of an obvious *non-sequitur* in logic by finding, on the one hand, that the ultimate issue confronting it and the District Court was whether Kramer defrauded the Patent Office by knowingly falsely swearing that he was the "inventor" of the subject matter of the pertinent patent application and, on the other hand, concluding that Kramer's possible inventorship or coinventorship "is not the real issue" (App. 21a). It is respectfully submitted that, by any reasonable definition, a charge of fraud is defeated by a showing that the pertinent alleged misrepresentation of fact is, indeed, *the truth*, or that it was reasonably believed by the person who made it at the time it was made (no scienter).

In an apparent attempt to support its illogical *non-sequitur*, the Court of Appeals has seized upon the only significant conflict in trial testimony, to wit: that Kramer has testified that he brought with him to his initial meeting (with respect to the application for the patent in suit) with Gonsalves, at least some eight years before trial, a paper cutout on which the angles of the claims were specified numerically whereas Gonsalves and Dosso have testified that he brought with him only a not specifically remembered sample or samples of prior art products in a flattened or unflattened shape. From this testimony, the Court of Appeals concluded that the District Court was justified, not only in concluding that Kramer's trial testimony was untrue, but also, that Kramer had lied to the Patent Office some eight years earlier in his conventional oath. Kramer assumes that the "critical angles" to which the Court of

Appeals made reference in its supplemental opinion are the 65° angle and the 30°-40° angles shown in figure 1 of the patent in suit (App., p. 5a) and specified in claim 2 thereof (App., p. 5a).

First of all, there is no express reference whatsoever in the District Court's opinion and order to Kramer's "angle testimony" or to anyone else's "angle testimony".

Secondly, the District Court, which ably wielded micrometers and a protractor during trial, may be assumed to have understood that the "critical angles" are inherent in the structure drawn by Gonsalves *upon Kramer's instructions*. The critical instructions were Kramer's instructions to "nest" the bracket blanks to minimize scrap and, at the same time, to preserve the functional leg support angle of the prior art (App. 31a, 38a). The inherent nature of the angles is disclosed and explained at column 4, lines 5-46, of the patent in suit (Appendix P).

Thirdly, both Gonsalves' and Dosso's testimony appears to indicate that Kramer expressly required them to retain the 120° (65° in the form of the patent claims as ultimately allowed) functional support "critical angle" from the prior art (App. 31a, 38a). The Court of Appeals' finding that "witnesses testified that Kramer made no contribution to the choice of angles" is, simply, not in accord with the record nor with any express finding by the District Court.

Finally, if Kramer's testimony that he supplied Gonsalves with *written numerical specification* of the angles is untrue as the result of a faulty or rationalized memory or of puffing his case during trial testimony, there is no indication in the record that either Gonsalves or Dosso ever developed a *written numerical specification* of the angles. Gonsalves, in fact, testified that he made no calculations in connection with his design of the part (App. 34a, 35a). If the angles were not numerically specified in writing by Kramer or by Gonsalves, then the first *written numerical*

specification of the angles must have been that prepared by Kilcoyne, Kramer's patent solicitor, to whom Kramer presented the design of the part which inherently included the angles. The only *written numerical specification* of an angle included in the specification and claims of the application for the patent in suit as originally filed (Appendix M) or in the patent drawing as originally filed (Appendix Q) and to which Kramer's oath (Appendix N), therefore, applied is the 120° functional leg support angle (App. 46a). Both Gonsalves (App. 31a) and Dosso (App. 38a) testified unequivocally at trial that Kramer had instructed them that this important support angle had to be maintained. The other angles which appear in the specification, drawing and claims of the patent in suit as issued are inherent in the design of the part and were inserted into the patent application by Kilcoyne during the prosecution thereof before the Patent Office *after* the filing of Kramer's oath. The Patent Office did not reject such insertion as "new matter".

II. The Court Should Review the Decisions Below Because Those Decisions Have Decided an Important Question of Federal Law which Has Not Been but Should Be, Settled by the Court—Whether a Trial Court's Finding of Perjury During the Course of a Civil Action for Infringement of a Patent Should be Sanctioned by an Award of Attorney Fees, Pursuant to 35 U.S.C. § 285, or, if Punished at all, Should be the Subject Matter of Criminal Prosecution Pursuant to 18 U.S.C. § 1621 and Fed. Rules Cr. Proc., 18 U.S.C., Generally.

While both the District Court and the Court of Appeals have apparently founded the "exceptional case" holding and the resultant award of attorney fees pursuant to 35

U.S.C. § 285 on a finding that Kramer falsely swore to the Patent Office, in his oath, that he believed himself to be the sole inventor of the hinge bracket described and claimed in his application for the patent in suit, both courts have also made express findings of "incredible", "false" or untrue testimony by Kramer at the trial of the patent infringement action. Indeed, the District Court's finding that Kramer "lied when he said he was"—"the creator of the design or device" is sufficiently ambiguous to admit the possibility that the District Court's award of attorney fees was founded upon Patent Office fraud, perjury at trial or both. The Court of Appeals, on the other hand, apparently feeling compelled to found its affirmance of the District Court's attorney fee award squarely on fraud on the Patent Office, indulged in a classic *non sequitur*. It expressly rejected Kramer's Patent Office oath inventorship argument as "not the real issue", stated, without any express foundation in the District Court's opinion, that the District Court had found Kramer's trial testimony *with respect to angles* to be untrue and, from this, concluded that the District Court was justified in finding that Kramer had defrauded the Patent Office when he swore, some eight years earlier, to have believed himself to be the sole inventor *of the improved hinge bracket*. Thus, in the opinions of both courts below, findings of perjury at trial by Kramer have been relied upon, directly or indirectly, to justify or sustain the attorney fee award pursuant to 35 U.S.C. § 285.

Perjury at trial, in a civil action for patent infringement as well as in all other types of actions, is expressly declared to be a crime by 18 U.S.C. § 1621. Punishment for the crime of perjury is limited to a fine of not more than $2,000.00 (not $17,000.00 nor a reasonable fine), or to imprisonment for not more than five years or both. Moreover, a person accused of the crime of prejury at trial is assured of all of his rights to due process, jury trial, detailed indictment, heavier burden of proof, and the like,

guaranteed by the Fifth and Sixth Amendments to the Constitution of the United States and the applicable Federal statutes and rules enacted pursuant thereto.

In expressly providing, under 35 U.S.C. § 285, for the award of attorney fees "in exceptional cases", it is respectfully submitted that Congress has provided a different remedy which is both compensatory and punitive in effect and is to be related to patents themselves and to violations of the Patent Laws, Title 35 U.S.C. Thus, it seems apparent that conduct which makes a case "exceptional" within the meaning of 35 U.S.C. § 285 must, *inter alia* be violative of one or more express provisions of the Patent Laws.

The Patent Laws, Title 35 U.S.C., are silent on the issue of perjury at trial. Such conduct offends our system and laws for the conduct of court proceedings generally rather than any express provision of the Patent Laws. Perjury at trial is a personal violation of a personal oath made at trial to tell the truth at trial. It is unrelated to the subject matter area of the trial testimony.

Conversely making and filing a fraudulent oath with the Patent Office violates the express provisions of the Patent Laws, 35 U.S.C. § 115, which requires the submission of a true oath, and sanctions under the Patent Laws would appropriately apply to such conduct.

In terms of the facts of this case, if Kramer has been correctly found to have made and filed with the Patent Office a fraudulent oath as to his belief in his inventorship pursuant to 35 U.S.C. §§ 101 and 115, then an award of attorney fees under 35 U.S.C. § 285 is warranted. If he did not commit such a fraud on the Patent Office, but has testified falsely at trial, he should be punished under 18 U.S.C. § 1621, if at all. Patent Laws sanctions do not apply.

III. The Court Should Review the Decisions Below Because the Decision of the District Court Has so Far Departed from the Accepted and Usual Course of Judicial Proceedings and the Decision of the Court of Appeals Has so Far Sanctioned such a Departure as to Call for an Exercise of This Court's Power of Supervision—Kramer Has Been Deprived of his Constitutional Rights to Due Process of Law.

If as is one apparent alternative basis, in whole or in part, for the award of attorney fees in the amount of $17,000 against Kramer, the courts below have founded the attorney fee award on their respective findings of perjury in Kramer's testimony at trial, then Kramer was utterly deprived of his constitutional rights to due process of law. He was not informed by indictment, pleading or otherwise of the nature and cause of the accusation against him in seasonable time to permit him to make a timely jury demand or to permit his counsel to prepare an adequate defense. There is no indication in the record that any court applied the customary "beyond a reasonable doubt" test. Yet Kramer stands accused, tried and convicted of the crime of perjury for which he has been "sentenced" by the judgment of the District Court to pay a quasi-criminal fine of $17,000, an amount far in excess of the $2,000.00 fine limitation provided for in 18 U.S.C. § 1621. Additionally, as the named inventor of some twenty-five other United States patents, this civil "conviction" of a felony will follow him forever.

If, on the other hand, the award of attorney fees is based entirely upon findings of fraud on the Patent Office, then the conduct of this case by the courts below still does not meet the requirements of due process of law. Recognizing, apparently that such cases fall conjointly within the ambit of the Patent Laws and the Crimes Laws, the

courts have traditionally afforded one so accused the benefit of a higher standard of proof than that normally applicable to issues in civil actions.

In a recent analogous case, *Congoleum Industries, Inc.*, v. *Armstrong Cork Co.*, 339 F. Supp. 1036, 1060 (E.D. Pa. 1972), where a charge of fraud on the Patent Office was founded upon an oath of inventorship, the court held that:

> "proof of fraud on the Patent Office must be clear, unequivocal and convincing, and a mere preponderance of evidence which leaves the issue in doubt is a wholly insufficient basis for a finding of fraud. Baldwin-Lima-Hamilton Corp. v. Tatnall Meas. Sys. Co., 169 F. Supp. 1 (E. D. Pa. 1958), aff'd. 268 F.2d 395 (3d Cir.), *cert. denied*, 361 U.S. 894, 80 S. Ct. 190, 4 L. Ed. 2d 151 (1959). Defendant has fallen far short of the exacting standard of proof of fraud. We find no merit in its position."

The Court of Appeals for the Second Circuit has similarly held that a charge of perjury must be established by "clear and convincing proof". *Barr Rubber Products Company* v. *Sun Rubber Company*, 425 F.2d 1114, 1120 (2d Cir. 1970), *cert. denied*, 400 U.S. 878 (1970). This is "especially so when a finding that material evidence has been falsified permits the allowance of an adversary's attorney fees not otherwise recoverable." (*Id.* at 1120-1121). Moreover, that Court of Appeals was able to "assume from the lower court's silence that it applied [the] normal 'preponderance of the evidence' test." (*Id.* at 1120).

It is respectfully submitted that the District Court, in this case too, has erred in applying the "preponderance of the evidence" standard of proof to its charge of perjury against Kramer rather than the more stringent "clear and convincing proof" standard, as established by *Barr*.

Moreover, it would appear that, in civil cases where criminal or quasi-criminal charges are raised by way of

affirmative defense or counterclaim, due process should require that, at the very least, that the requirements of the Federal Rules of Civil Procedure for the protection of civil litigants be scrupulously adhered to. In this case, for example, G & A should not have been permitted at trial to introduce evidence of fraud by reason of a false oath of inventorship by Kramer when, contrary to Rule 9(b), F. R. Civ. Proc., 28 U.S.C. G & A's counterclaim as pleaded (App. 26a) contained no statement of the particulars of the fraud pleaded, and G & A's affirmative defense as pleaded was actually misleading (App. 25a-26a) in that it alleged only the conventional free swinging charge of fraud on the Patent Office by concealment of the best prior art known to the applicant.

Moreover, it has ill behooved the Court of Appeals to find in a supplemental opinion for the first time in the case, after the appeal had been fully briefed, argued and decided and after Kramer had filed his petition for rehearing *en banc,* that the District Court had concluded that Kramer was not telling the truth with respect to the origin of the angles specified in the claims (App. 5a). The District Court had made no reference whatsoever to angles testimony in its opinion and order (Appendix A), and, by relieving the District Court, at that late date, of its obligation pursuant to Rule 52(a), F.R. Civ. Proc., 28 U.S.C., to "find the facts specially and state separately its conclusions of law thereon", the Court of Appeals effectively deprived Kramer of his right to a plenary appeal of this critical issue. Contrary to the statement of the Court of Appeals (App. 21a) that "two witnesses testified that Kramer made no contribution to the choice of angles", the trial testimony of these same two witnesses confirms that Kramer's instructions to them were to maintain the only angle (the 120° leg support angle) which appears in the application for the patent in suit as filed (App. 46a, Appendix Q) and to which Kramer's oath (Appendix N) referred (App. 31a, 38a).

IV. The Court Should Review the Decisions Below Because These Decisions Will Have a Sweeping Inpact on the Patent System Far Beyond Adjudicating the Rights of the Parties to this Action.

In finding (at App. 3a) that:

> ". . . this case presents the *once-in-a-lifetime* situation wherein the defendant . . . argues that, if there is an invention, some one other than the patent owner invented it" (emphasis supplied),

the District Court displayed an unawareness that "inventorship" issues are extremely common in patent cases and are often the central issue to be litigated. The venerable *Walker On Patents* (Deller's Edition), Baker, Voorhis and Company, 1937, lists inventorship issues as the conventional eighth, ninth and tenth defenses to patent infringement actions (§§ 667, 668).

Treatises on patent law conventionally contain sections on "joint and sole inventions", and the possibility of confusion on this issue is freely acknowledged.

> "It may be difficult under certain circumstances to determine the actual inventors of an invention resulting from collective efforts; . . .", *Patenting The Invention,* by V. Alexander Scher, Mathew Bender & Co., 1948, p. 22.
>
> "If . . . C.D. notices the need of a new machine to perform a particular function and calls the attention of E.F. to the matter, and a successful invention is, after many conversations between the two, embodied in a working machine constructed by the hands of both, then it may be that C.D. is the sole inventor, or it may be that E.F. is the sole inventor, or, it may be that both are joint inventors of the machine they produce." *Deller's Walker On Patents* (Second Edition), Vol. 1, 1964, p. 182.

"§ 6. One who is directing others to carry out his general ideas may be an inventor, even though he may not be the actual discoverer of the particular thing that constitutes the final invention. The actual discoverer of a particular invention may not be the inventor. If he is executing the general plan of investigation and invention for another, the person under whom he is working is generally regarded as the inventor and the accomplishment of the associate is merely an expression of the intellectual activity of the principal." *Invention and the Law,* by Harry Aubrey Toulmin, Jr., Prentice Hall, 1936, p. 70.

"There are many instances in which the courts have been called upon to decide whether a particular device is truly the joint invention of two persons or whether it is the invention of one of them, the other being merely a technical assistant. There is no exact and general rule for guidance in such cases. If one of the two collaborators conceived the device in its entirety and the other acted merely as a mechanic in constructing the new machine or as a laboratory helper in making the new substance, the invention would belong solely to the person who originated the idea and not at all to the one who first embodied it in tangible form. . . . The mere fact that he had employed his technical knowledge and skill in the performance of his duties does not make him a co-inventor." *Patent Law For Chemists, Engineers and Executives,* by Fred H. Rhodes, McGraw Hill, 1931.

In view of the foregoing, the allegation by G & A's witness, Gonsalves, that he, rather than Kramer, was the sole inventor of the claimed subject matter can hardly be considered to be a "once-in-a-lifetime" plea for such a conclusion of law.

Allegations of misjoinder of inventor have been such a common problem in patent infringement actions brought to trial, that, when the Patent Laws were revised in 1952, a special section, Title 35 U.S.C. § 256, was added to deal with the problem. This section provides that misjoinder or nonjoinder of joint inventors shall not invalidate a patent, if such error can be corrected by the court as provided in that section.

However, neither 35 U.S.C. § 256 nor its companion provision related to pending patent applications, 35 U.S.C. § 116, have erased the inventorship problem as one of the muddiest concepts of the patent law. Collaborators in the process of inventive activity, be they fellow corporate employees or independent contractors, will forever be susceptible to differences of opinion as to who made the inventive contribution, whether joint or sole. Should the collaborators become disassociated and disgruntled with one another for any reason during the seventeen year life of the patent, charges of fraud are bound to fly.

It is respectfully submitted that a viable patent system requires the fair administration of a strict standard of invention by the Patent Office and the courts, and that collateral attacks on issued patents on technicalities in confused areas of fact and law are to be discouraged. It is high time that the Court breathed new life into its doctrine of inventorship as exemplified by its decisions in *Agawam Co.* v. *Jordon, supra,* and *Minerals Separation, Ltd.* v. *Hyde, supra,* as related to the effect of the conventional inventorship oath required by 35 U.S.C. § 115.

V. The Court Should Exercise its Power of Judicial Supervision to Resolve a Clear Conflict Among the Recent Decisions of the Court of Appeals for the Second Circuit as to the Standard to be Applied in Ascertaining Whether a Case is so Exceptional as to Justify an Award of Attorney Fees Pursuant to Title 35 U.S.C. § 285, a Question of Federal Law Which Has Not Been, but Should be Settled by This Court. The Decision of the Court of Appeals in this Case is Also in Conflict with the Position of the Court of Appeals for the Tenth Circuit.

The Court of Appeals has founded its decision in this case in part upon its earlier decision in *Kahn* v. *Dynamics Corporation of America*, 508 F.2d 939 (2d Cir. 1975). But the *Kahn* case, finally decided by the Court of Appeals on January 9 of this year, a scant two and one-half months before its decision in this case (*supra*, at 944), states that awards of attorney fees under the applicable statute, 35 U.S.C. § 285. in the Second Circuit are still governed by "the leading case in this Circuit on this subject", *Indiana General Corp.* v. *Krystinel Corp.*, 297 F.Supp. 427 (S.D.N.Y. 1969), *aff'd*, 421 F.2d 1023 (2d Cir.), *cert. denied*, 398 U.S. 928 (1970). The rule is that

> "only where the court is convinced that the patent in suit is so wholly devoid of substance that the plaintiff could not have had a bona fide belief in its validity shall it award the defendant reasonable attorneys' fees pursuant [to the statute.]" (*Kahn*, at 944).

In *Indiana General Corp.* v. *Krystinel Corp.*, 421 F. 2d 1023 (2d Cir. 1970), *cert. denied*, 398 U.S. 928 (1970), the Court of Appeals for the Second Circuit fully supported the findings of the District Court to the effect that the patent owners' conduct before the Patent Office was "less

than candid" (*Id.*, at 1033, 1034). The Court of Appeals found that, had the Patent Office received a full disclosure of the facts, "the proceedings might have ended abruptly in final rejection of the application." (*Ibid.*). The patentee's conduct before the Patent Office was characterized as "furtiveness" (*Id.* at 1034). Nevertheless, apparently finding that the evidence failed to show "the willful intent to deceive" (scienter) (*Id.* at 1033), the Court of Appeals found that the patent owner might have had "a bona fide belief in the patent's validity" (*Id.* at 1034) and denied attorney's fees.

The "attorney fee" standard of the Second Circuit in *Krystinel* has been cited with approval by the Court of Appeals for the Tenth Circuit in *Q-Panel Co.* v. *Newfield*, 482 F.2d 210, 211 (10th Cir. 1973).

> "The statute contemplates such misconduct upon the part of the losing party as to constitute fraud on the Patent Office or so unfair and reckless as to make it unconscionable for the prevailing party to sustain the expense of counsel."

Moreover, the United States District Court for the Southern District of New York has applied a similarly stringent standard of alleged misconduct in several recent cases. See *Delamere Co., Inc.* v. *Taylor-Bell Co., Inc.*, 249 F. Supp. 471 (S.D.N.Y. 1966); *Bussemer* v. *Artwire Creations, Inc.*, 231 F. Supp. 798, 805 (S.D.N.Y. 1964); *Formal Fashions, Inc.* v. *Braiman Bows, Inc.*, 254 F. Supp. 389, 395 (S.D.N.Y. 1966), *aff'd*, 369 F. 2d 536 (2d Cir. 1966).

Thus, the decisions of the courts below in this case appear to be in sharp conflict with the mainstream rule of the Second Circuit. Where, it is respectfully asked, has the record established that Kramer *knowingly lied* when he stated to the Patent Office that he believed that he was the "sole inventor" of the patented invention? Absent the establishment of such scienter *by clear and convincing*

proof, attorney fees, in view of *Krystinel*, are not to be awarded. "Sole inventorship" is not a fact, but is, rather, a legal conclusion. Moreover, in accordance with the law of inventorship as defined in this Court's decisions in *Agawan, supra,* and *Minerals Separation, supra,* and not inconsistent with the stated factual findings of the District Court as to what transpired between Kramer and Gonsalves, Kramer probably is the "sole inventor" of the patented bracket blank. *He was and is, at the very least, entitled to "a bona fide belief" that he is the sole inventor.*

CONCLUSION

For the foregoing reasons, a writ of certiorari should issue to the Court of Appeals for the Second Circuit.

Respectfully submitted,

HARVEY E. BUMGARDNER, JR.
Attorney for Petitioner
1230 Sixth Avenue
New York, New York 10020

Of Counsel:

BARBARA BUMGARDNER
ARTHUR, DRY & KALISH

August 19, 1975.

APPENDIX A

Opinion and Order of District Court, Filed December 20, 1973.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

67 Civ. 2079

#40140

HYMAN KRAMER, doing business as
HY KRAMER ENTERPRISES,

Plaintiff,

against

DURALITE COMPANY, INC.,

Defendant.

HYMAN KRAMER, doing business as
HY KRAMER ENTERPRISES,

Plaintiff,

against

G & A MACHINE WORKS, INC.,

Defendant.

OPINION AND ORDER

67 Civ. 2081

APPEARANCES:

ARTHUR, DRY & KALISH, Esqs.
Attorneys for Plaintiff
By Harvey E. Bumgardner, Jr., Esq.
Steven H. Bazerman, Esq.
Of Counsel

Appendix A.

RUBENS & BERGER, Esqs.
Attorneys for Defendant
G & A Machine Works, Inc.
By Peter L. Berger, Esq.
Of Counsel

KEVIN THOMAS DUFFY, D.J.

These are consolidated actions for infringement of U. S. Patent 3,310,268 issued on March 21, 1967, to plaintiff Hyman Kramer. At the trial the defendant Duralite Company, Inc. did not appear, permitting the attorney for G & A Machine Works, Inc. (hereinafter "G & A") to defend it and agreeing to be bound by the decision of this Court in the G & A case.

This opinion and order is to be considered as findings of fact and conclusions of law within the meaning of Rule 52(a) of the Federal Rules of Civil Procedure.

The patent in question here covers hinge brackets and generally describes the leg hinge brackets for aluminum cots and aluminum furniture. Of the five claims contained in the patent, claims 2 and 3 are urged as having been infringed by the defendants. The defendants have admitted making, using and selling leg hinge brackets which infringed claims 2 and 3 of the patent. The defendants have counterclaimed for a declaratory judgment that the patent is invalid and non-enforceable and seek damages and attorneys' fees by reason of their counterclaim.

The plaintiff Hyman Kramer has had some training in mechanical engineering, and in about 1959 he started selling machinery and hardware to makers of aluminum furniture. He claims to be the sole inventor of some 25 patents, most of which relate to the aluminum furniture field. The patent in question covers leg hinge brackets which are used to connect tubular members, generally made of aluminum, to make a folding cot.

Appendix A.

Prior to the issuance of the patent, there were many leg hinge brackets used for this purpose, including some fabricated by the defendant G & A and used on products sold by the defendant Duralite Company, Inc. All of such leg hinge brackets consist of a butterfly or "V" shaped metal piece with holes spaced in such a way that when the "V" is bent inward rivets can be placed through the holes and tubular members thus pivotally connecting the tubular members to form the folding part of the aluminum furniture.

The alleged invention "improves" on the prior art by "nesting" the brackets and thus minimizing the amount of scrap involved in the sheet metal stamping process. The bracket covered by the patent is made so that the bottom area of one bracket blank matches (to a great extent) the top area of the next succeeding bracket blank.

Both the prior leg hinge brackets and those conforming to the claims of the patent work in an almost identical manner. The law of patents has long held that an improvement over similar structures in the prior art is insufficient to warrant the granting of a patent if there is an absence of invention. *Application of Nelson,* 198 F.2d 837 (C.C.P.A. 1952); *Wheeldex Mfg. Co.* v. *Marzall,* 92 F. Supp. 985 (D.D.C. 1950). Here it is well known that "nesting" to save scrap in a sheet metal stamping process is an old art and thus cannot be considered an "invention" to be covered by patent protection. On this basis alone I would hold the patent in question invalid and unenforceable.

But this case presents the once-in-a-lifetime situation wherein the defendant not only claims that there is no invention but argues that, if there is an invention, someone other than the patent owner invented it. Indeed, the defendant claims that the patented design was created by one George Gonsalves of the Erie Packaging Corp., a tool and die making and metal working shop located at one time in

a building owned by the plaintiff. The plaintiff Kramer admitted knowing George Gonsalves and the other principals of Erie Packaging Corp. He also admitted having Erie Packaging fabricate parts for him to sell including the leg hinge brackets covered by the patent. In his direct testimony Kramer reiterated the claim that he was the sole inventor of the leg hinge bracket in much the same words as the oath he subscribed to in his application for the patent. I find that this testimony of the plaintiff was totally incredible and wholly false.

Other testimony revealed that apparently the plaintiff approached George Gonsalves of Erie Packaging Corp. and his fellow-principal Felice Dosso (both of whom testified) with a sample of a leg hinge bracket of the prior art and requested Gonsalves to design a "nesting" pattern of blanks to be made of a lighter gauge material with reinforcing ribs contained therein. After about a week Gonsalves, with the help of Dosso, completed a drawing which eventually became the basis of the patent. This happened with little or no help from the plaintiff, who, however, insisted on having the dies, made at Erie Packaging, contain the embossing "Pat. Pend." and who filed the application for the patent. These acts clearly did not alter the fact that the design was "invented" by Gonsalves, not the plaintiff.

In sum, I hold that the device did not rise to the level of an invention; that the patent was invalid and unenforceable; and that the plaintiff was not the creator of the design or device and lied when he said he was.

The sole question left is whether the defendant G & A is entitled to damages and attorney's fees. The record is silent on the issue of the amount of damage incurred by the defendant and for lack of proof of a measurable amount of damages that claim is denied. As to attorney's fees, I find that this is such an exceptional case that attor-

ney's fees are warranted under the provisions of 35 U.S.C. § 285 (1970). I hereby direct the defendant's attorney to appear for a hearing before a magistrate of this court so that the amount of such fees may be properly determined.

So ORDERED.

/s/ KEVIN THOMAS DUFFY
U. S. D. J.

Dated: New York, New York
December 20, 1973.

APPENDIX B

Report and Recommendation of Magistrate Dated June 10, 1974.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

67 Civ. 2079 and
67 Civ. 2081 (KTD)

HYMAN KRAMER, d/b/a HY KRAMER ENTERPRISES,

Plaintiff,

—against—

DURALITE COMPANY, INC.,

Defendant.

HYMAN KRAMER, d/b/a HY KRAMER ENTERPRISES,

Plaintiff,

—against—

G & A MACHINE WORKS, INC.,

Defendant.

REPORT AND RECOMMENDATION

The decision of Judge Duffy in the above actions found that the patent in suit was invalid and unenforceable, that the plaintiff was not the creator of the design or device and lied when he said he was, and that this was such an exceptional case that attorneys fees are warranted under the provisions of 35 U.S.C. § 285. A hearing before a

Appendix B.

Magistrate was directed to determine the proper amount of fees.

Defendant's attorney has claimed fees and expenses in a total amount of $33,347.85. Plaintiff's counsel opposes the imposition of any fee and argues that, in the absence of recovered damages, the attorneys fees awarded should be nominal, i.e. $1,000 or less. Some of the plaintiff's arguments are foreclosed by Judge Duffy's decision and need not be considered herein. The arguments which are still open for disposition are as follows.

Plaintiff contends that this circuit and this district have been very conservative in awarding fees under statutory authorizations. It is true that the Second Circuit commented, in a copyright case, *Orgel* v. *Clark Boardman*, 301 F.2d 119, 122 (2d Cir. 1962) *cert. den.*, 371 U.S. 817 (1962):

> "The awarding of attorneys fees is discretionary with the court under the act . . . since such a provision for attorneys fees is at variance with the usual practice in litigation before our courts, however, it has been sparingly used and the amounts awarded modest".

Plaintiff also cites several patent cases in which very modest fees were allowed. For example, in *Barr Rubber Products Company* v. *Sun Rubber Co.*, 279 F.Supp. 49 (S.D.N.Y. 1968), Judge Frankel allowed only $30 an hour for a partner's time and $20 an hour for an associate's time. However, in so doing, Judge Frankel commented that the scale of payments awarded was:

> ". . . not mentioned to determine 'worth' as measured in the market for legal service, but which represents a compendious 'feel' of what the court deems just for all the peculiar circumstances of this particular case". 279 F.Supp. at 52.

Appendix B.

For an appreciation of what Judge Frankel had in mind when he referred to the "peculiar circumstances of this particular case" one need only look at the decision reversing the lower court published at 425 F.2d 1114 (2d Cir. 1970). That case, therefore, has little precedent value for determining a proper fee here.

In *Thermovac Industries Corp.* v. *Virtis Co., Inc.,* 159 U.S.P.Q. 349 (S.D.N.Y. 1968), Judge Levet took a very strict view as to what services are necessarily rendered, and disallowed what he considered to be duplicatory time of two attorneys. That approach has some application here, since $1,087.50 of another attorney's consultation time is claimed. This, however, does not mean that the time of the principal counsel is not allowable.

The high fee claimed by defendant's counsel is premised entirely upon his fee arrangement with his client. Plaintiff argues that the Court is not bound by this arrangement. That is unquestionably true, but it is a matter for some consideration. As the Court commented in *Chromalloy Corp.* v. *American Alloy Surface Corp.,* 357 F.Supp. 429, 431 (D.Del. 1973):

> "If it appears that the hourly rate charged is within a range normally charged for the defense of a patent infringement suit by attorneys of comparable experience and expertise, the court will look no further".

The initial problem here is that the defendant's counsel had an unusual fee arrangement. He was to receive a retainer of $1,000 and to be paid $25 an hour for his time if he lost, but if he won, he was to be allowed to charge a reasonable fee. He views a reasonable fee as being $75 an hour for office time and $100 an hour for trial time. He concedes, however, that this embodies a contingency factor, and the long delay in receiving payment, and that, for the years in question, his ordinary hourly fee would have been

Appendix B.

$40 an hour in 1970, rising grandually to $50 an hour in 1972, and $60 in 1974 (with a higher charge for court time). While the quasi-contingent arrangement was quite proper as between the attorney and his client, and the attorney may well be entitled to receive this higher fee from his client, in terms of assessing a reasonable fee for these purposes, we must look at the actual value of the attorney's time.

In the *Chromalloy Corp.* case, *supra,* the court allowed an apparently experienced counsel $62 an hour in 1971 and $75 an hour in 1972. There is a distinct problem in evaluating attorney Berger's expertise. He was only admitted to the bar in 1966 after graduating from George Washington University. However, he had previously been a patent examiner in the Patent Office and was an honor graduate of the George Washington University Law School (Order of the COIF) and patent editor of its Law Review. He worked for two years as a patent attorney at Bell Laboratories and then spent a half year with a firm and for another half year he was a patent counsel to a financial consultant. He opened his own practice in 1969 (the year before this case commenced) and had had little previous trial experience.

Plaintiff argues that, because of this very limited previous experience, Mr. Berger's time should be allowed at no more than $25 an hour. (This also being the minimum fee that would have been charged.) In addition, the plaintiff argues that because of Mr. Berger's inexperience he spent considerably more time with the preparation of this case than necessary. Concededly, it appears that Mr. Berger expended a good deal of unnecessary and repetitive hours in the preparation of the case, but it is doubly punitive to reduce his hourly charge because of his inexperience and then to disallow much of his time as being unecessary. Application of either consideration amply covers the problem.

Plaintiff points out that this was a relatively simple patent case, not waranting a large fee. *Dubil* v. *Rayford Comp. and Co.*, 184 F.2d 899 (9th Cir. 1950). That may be, but apparently (in light of the result), it was tried with great skill by defense counsel.

Plaintiff argues that the amount in controversy has to be considered in terms of setting a reasonable fee. Plaintiff contends that the maximum damages that defendant could have been compelled to pay was only $1,000; consequently, the legal fee should not exceed this amount. Admittedly there was more involved in this case than the simple recovery of damages, and there were strong feelings between the parties. It ill behooves the plaintiff, who initiated the law suit and had control over whether or not it would go to trial, and who himself spent many times the amount he alleges he could have recovered, to say that the defendant's counsel's fee should be reduced for this reason.

Plaintiff contends that there must be subtracted from the hours expended, the time involved in obtaining the award of attorneys fees. This is clearly the law. *Thermovac Industry Corp.* v. *Virtis Co., supra*; *Chromally Corp.* v. *American Alloy Surface Corp., supra.* However, the plaintiff brought on the motion to amend and supplement the findings of fact and conclusions of law in which the awarding of attorneys fees was one of several items unsuccessfully attacked. The hours involved in opposition to the Rule 52(b) motion are properly included. It would appear that only half of the 12 hours charged for March, 1974 were related to attorney's fees, and these alone will be disallowed.

Finally, the defendant has included in his claim a couple of hundred dollars of disbursements ("expenses") which are not taxable costs in the action. While plaintiff has taken no specific exception to this, the reference in this matter was solely for the computation of attorneys fees

and there would not appear to be any statutory authority for assessing costs other than taxable costs. *Chromally Corp.* v. *American Alloy Surface Corp., supra.* Consequently, these have been excluded from consideration.

Considering all of the various aspects discussed above, I find that the fair and reasonable fee to be awarded to the defendant's counsel is $16,970. This figure is arrived at by using Mr. Berger's regular hourly charge for the years in question, by reducing the hours allowed for 1970, 1971 and 1972 by 50%, by subtracting six hours from 1974 as attributable to the attorney's fee collection, and by disallowing entirely the fees of other attorneys (except predecessor counsel) and expenses.

Respectfully,

/s/ Gerard L. Goettel
Gerard L. Goettel
United States Magistrate

Dated: New York, N. Y., June 10, 1974

APPENDIX C

Memorandum Opinion of District Court Dated June 19, 1974.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

HYMAN KRAMER, doing business as
HY KRAMER ENTERPRISES,

Plaintiff,

against

DURALITE COMPANY, INC.,

Defendant.

---

67 Civ. 2079

HYMAN KRAMER, doing business as
HY KRAMER ENTERPRISES,

Plaintiff,

against

G & A MACHINE WORKS, INC.,

Defendant.

MEMORANDUM

67 Civ. 2081

APPEARANCES:

ARTHUR DRY & KALISH, Esqs.
Attorneys for Plaintiff
By Harvey E. Bumgardner, Jr., Esq.
Steven H. Bazerman, Esq.
Of Counsel

Appendix C.

RUBENS & BERGER, Esqs.
Attorneys for Defendant
G & A Machine Works, Inc.
By Peter L. Berger, Esq.
Of Counsel

KEVIN THOMAS DUFFY, D.J.

Having reviewed the Report and Recommendation submitted by the Honorable Magistrate Gerard L. Goettel and having reviewed the objections and suggested modifications filed in response thereto by counsel, I hereby confirm the Honorable Magistrate's Report and Recommendations in all respects.

Settle judgment on notice.

/s/ KEVIN THOMAS DUFFY
U.S.D.J.

Dated: New York, New York

July 19, 1974.

APPENDIX D

Judgment of District Court Filed August 1, 1974.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

67 Civ. 2079 and

67 Div. 2081 (KTD)

HYMAN KRAMER, d/b/a HY KRAMER ENTERPRISES,
Plaintiff,

against

DURALITE COMPANY, INC.,
Defendant.

HYMAN KRAMER, d/b/a HY KRAMER ENTERPRISES,
Plaintiff,

against

G & A MACHINE WORKS, INC.,
Defendant.

JUDGMENT

#74,644

This Action came on for trial on June 21, 1973 before the Court, Honorable Kevin T. Duffy, District Judge, presiding, and the issues having been duly tried and a Decision having been duly rendered on December 20, 1973 and a report of the Honorable Magistrate Gerard L. Goettel having been rendered on June 10, 1974,

Appendix D.

It is ordered, adjudged and decreed that,

1. This Court has jurisdiction of the parties and the subject matter.

2. Patent No. 3,310,268 is invalid, void and unenforceable.

3. This case is an exceptional case and falls within the meaning of 35 U.S.C. Sec. 285, and Defendant, G. & A. Machine Works, Inc. is awarded attorney's fees in the amount of $16,970.00 together with its costs in this action.

Dated: New York, N. Y.
July 31, 1974

KEVIN THOMAS DUFFY
United States District Court Judge
M.A.

JUDGMENT ENTERED—8/1/74

RAYMOND F. BURGHARDT
Clerk

9/18/74—Bill of Costs as consented to in the sum of $637.90, in favor of both defendants as against plaintiff and added to the judgment.

RAYMOND F. BURGHARDT
Clerk

APPENDIX E

Notice of Appeal Filed August 16, 1974.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

67 Civ. 2079

67 Civ. 2081

HYMAN KRAMER, d/b/a HY KRAMER ENTERPRISES,

Plaintiff,

—v.—

DURALITE COMPANY, INC.,

Defendant.

HYMAN KRAMER, d/b/a HY KRAMER ENTERPRISES,

Plaintiff,

—v.—

G & A MACHINE WORKS, INC.,

Defendant.

JUDGE K. T. DUFFY

NOTICE OF APPEAL

PLEASE TAKE NOTICE that plaintiff hereby appeals to the United States Court of Appeals for the Second Circuit from so much of the judgment entered August 1, 1969, as:

1. holds this case to be an exceptional case falling within the meaning of 35 U.S.C. Sec. 285; and

Appendix E.

2. awards to defenedant, G & A Machine Works, Inc., attorney's fees in the amount of $16,970 together with its costs in this action.

August 16, 1974

/s/ HARVEY E. BUMGARDNER, JR.
HARVEY E. BUMGARDNER, JR.
Attorney for Plaintiff
1230 Avenue of the Americas
New York, New York 10020
Tel: (212) 489-4510

To: Clerk, United States District Court

Rubens and Berger
Attorneys for Defendants
370 Lexington Avenue
New York, New York 10017

APPENDIX F

Judgment Order of Court of Appeals Dated March 20, 1975.

UNITED STATES COURT OF APPEALS
FOR THE
SECOND CIRCUIT

At a Stated Term of the United States Court of Appeals, in and for the Second Circuit, held at the United States Courthouse in the City of New York, on the 20th day of March one thousand nine hundred and seventy-five.

Present:

HONORABLE J. EDWARD LUMBARD
HONORABLE LEONARD P. MOORE
HONORABLE WILFRED FEINBERG
Circuit Judges.

No. 74-2139

HYMAN KRAMER, doing business as HY KRAMER ENTERPRISES,

Plaintiff-Appellant,

—against—

DURALITE COMPANY, INC., and G & A MACHINE WORKS, INC.,

Defendant-Appellees.

Appeal from the United States District Court for the Southern District of New York.

Appendix F.

This cause came on to be heard on the transcript of record from the United States District Court for the Southern District of New York, and was argued by counsel.

ON CONSIDERATION WHEREOF, it is now hereby ordered, adjudged, and decreed that the judgment of said District Court be and it hereby is affirmed on the opinions of Judge Duffy, dated December 20, 1973 and July 19, 1974, the latter confirming the Report and Recommendations of Magistrate Gerard L. Goettel, dated June 10, 1974.

J. EDWARD LUMBARD

LEONARD P. MOORE

WILFRED FEINBERG
U.S.C.JJ

APPENDIX G

Supplemental Opinion of Court of Appeals Filed April 23, 1975.

UNITED STATES COURT OF APPEALS

For the Second Circuit

No. 494—September Term 1974

Appeal decided March 20, 1975 Supplemental opinion April 23, 1975

Docket No. 74-2139

HYMAN KRAMER, doing business as HY KRAMER ENTERPRISES,

Plaintiff-Appellant,

—against—

DURALITE COMPANY, INC., and G & A MACHINE WORKS, INC.,

Defendants-Appellees.

Before LUMBARD, MOORE and FEINBERG, Circuit Judges.
PER CURIAM:

Hyman Kramer petitions this court for a rehearing en banc on his appeal from a judgment of the United States District Court for the Southern District of New York, Kevin T. Duffy, J., awarding defendant G & A Machine Works, Inc. attorney fees in this patent action. By order, dated March 20, 1975, we affirmed that judgment on the basis of Judge Duffy's two opinions below.[1] Although petitioner apparently does not ask for a rehearing by the panel alone, he does complain strenuously of our affirmance

by order on the basis of the opinions in the district court. Under the circumstances, we feel it is appropriate to make even more explicit than we have already the basis of our affirmance.

This case began as an infringement action brought by Kramer, alleging that his patent (No. 3,310,268) for a hinge bracket was infringed by G & A.[2] There was no dispute that G & A had infringed the patent; the chief issues before Judge Duffy were G & A's claims that the invention was obvious and that Kramer had defrauded the Patent Office. In his opinion, dated December 20, 1973, Judge Duffy found the invention invalid for obviousness. He then held Kramer's trial testimony that he alone invented the bracket "totally incredible and wholly false." Based on this, the court found that Kramer had similarly misled the Patent Office and awarded G & A attorney fees.

In his brief on appeal and in his petition for rehearing, Kramer suggests that he was at least a co-inventor and entitled to a good faith belief in his own inventorship. Thus, he contends, the award of attorney fees was improper. But Kramer's possible co-inventorship is not the real issue. At trial, Kramer testified that he singlehandedly developed the angles that were critical to the success of the device. However, two witnesses testified that Kramer made no contribution to the choice of angles. The judge concluded that Kramer was not telling the truth. From this, the court was justified in finding that Kramer had defrauded the Patent Office when he claimed to be the sole inventor.

Clearly such fraud renders this case exceptional within the meaning of 35 U.S.C. § 285.[3]

> A patent applicant has a duty to the Patent Office to make a full and fair disclosure of all facts which may affect the patentability of his invention. A breach of that duty prevents the Patent Office from properly

performing its function of preventing the issuance of unlawful patent monopolies. [Citations omitted.]

A patent applicant's breach of duty to the Patent Office is relevant in determining not only the validity of his patent, but also his good faith in maintaining a subsequent infringement action. An applicant's fraud on the Patent Office is enough standing alone to convert his later infringement action into an exceptional case within the meaning of section 285.

Monolith Portland Midwest Co. v. Kaiser Aluminum & Chemical Corp., 407 F.2d 288, 294 (9th Cir. 1969). It was a valid exercise of the court's discretion to award attorney fees. See Kahn v. Dynamics Corp. of America, 508 F.2d 939, 945 (2d Cir. 1975).

FOOTNOTES

[1] These opinions were dated December 20, 1973 and July 19, 1974.

[2] Kramer also sued Duralite Company, Inc. in a separate action. The two cases were consolidated.

[3] 35 U.S.C. § 285 provides:

The court in exceptional cases may award reasonable attorney fees to the prevailing party.

Hyman Kramer v Duralite
I concur.
J E L
April 17, 1975

Kramer v. Duralite Co.
Inc.
No. 74-2139

I concur
L P M
USCJ
4/17/75

APPENDIX H

Order of Court of Appeals Denying Supplemental Petition for Rehearing.

UNITED STATES COURT OF APPEALS
SECOND CIRCUIT

At a Stated Term of the United States Court of Appeals, in and for the Second Circuit, held at the United States Court House, in the City of New York, on the fifteenth day of May, one thousand nine hundred and seventy-five.

Present: HON. J. EDWARD LUMBARD,
HON. LEONARD P. MOORE,
HON. WILFRED FEINBERG,
Circuit Judges.

HYMAN KRAMER, DOING BUSINESS AS
HYMAN KRAMER ENTERPRISES,
Plaintiff-Appellant,

v.

DURALITE COMPANY, INC., and G & A
MACHINE WORKS, INC.,
Defendant-Appellee.

74-2139

A petition for a rehearing having been filed herein by counsel for the Appellant, Hyman Kramer.

Upon consideration thereof, it is

Ordered that said petition be and hereby is denied.

/s/ A. DANIEL FUSARO
A. Daniel Fusaro, Clerk

APPENDIX I

Order of Court of Appeals Denying Petition for Rehearing *En Banc*.

UNITED STATES COURT OF APPEALS
SECOND CIRCUIT

At a Stated Term of the United States Court of Appeals, in and for the Second Circuit, held at the United States Courthouse, in the City of New York, on the 21st day of May, one thousand nine hundred and seventy-five.

Hyman Kramer, doing business as
Hy Kramer Enterprises,

Plaintiff-Appellant,

against

Duralite Company, Inc., and G & A Machine Works, Inc.,

Defendants-Appellees.

74-2139

A petition for rehearing in banc having been filed herein by counsel for the plaintiff-appellant, and no active judge or judge who was a member of the panel having requested that a vote be taken on said suggestion,

Upon consideration thereof, it is

Ordered that said petition be and it hereby is denied.

/s/ IRVING R. KAUFMAN
IRVING R. KAUFMAN
Chief Judge

APPENDIX J

Amendment to Answer and Counterclaim by G & A.

UNITED STATES DISTRICT COURT
FOR THE
SOUTHERN DISTRICT OF NEW YORK

67 Civ. 2081

HYMAN KRAMER, doing business as HY KRAMER ENTERPRISES,

Plaintiff,

—against—

G & A MACHINE WORKS, INC.,

Defendant.

AMENDMENT TO ANSWER BY STIPULATION

It is hereby stipulated by and between the attorneys for the respective parties herein in accordance with the provisions of Rule 15A of the Federal Rules of Civil Procedure that Defendant G & A Machine Works, Inc. Answer be and the same is hereby amended by the addition of the following paragraph and that the Defendant G & A Machine Works, Inc. be allowed to interpose the following counterclaims.

AS FOR A FIRST AFFIRMATIVE DEFENSE

5. That the Plaintiff Hyman Kramer committed fraud on the Patent Office by reason of falsely making oath that he was the first inventor of the invention as set forth in each and every one of claims 1 through 3 as originally filed with the patent application Serial No. 458,148 which has matured into the patent in suit, while having full and ac-

tual knowledge of prior articles of manufacture which were invented or designed by others and which fully or effectively anticipate said claims 1 through 3 and by Plaintiff Hyman Kramer's misrepresentation as to his state of knowledge at the time said patent application was filed.

COUNTERCLAIM

Defendant, for its counterclaim against plaintiff, avers:

6. This counterclaim is for a declaratory judgment, and arises under the Federal Judicial Code 28 U.S.C. § 2201 and § 1338(a), and under the patent laws of the United States.

7. As appears from the Complaint and the foregoing amended Answer, an actual controversy exists between plaintiff and defendant with respect to the validity and infringement of Letters Patent No. 3,310,268.

8. Letters Patent No. 3,310,268 is invalid for each of the reasons set forth in the Answer including the foregoing Amendment to the Answer.

9. Letters Patent No. 3,310,268 has not been infringed and is not now being infringed by defendant, and defendant does not now threaten to infringe said Letters Patent.

10. Plaintiff Hyman Kramer committed fraud on the Patent Office in the solicitation of the above-identified patent application which matured into the patent in suit.

11. Defendant, as a result of the issuance of the patent in suit, has been damaged by reason of loss of sales and harassment of Defendant's customers.

WHEREFORE, defendant prays:

1. That Letters Patent No. 3,310,268 be adjudged to be invalid and void; and that defendant be adjudged not to infringe the same;

2. That a decree be issued granting defendant the right to continue manufacturing, selling and using hinge brackets alleged to infringe the patent in suit and granting defendant's customers the right to sell and use and to continue selling and using said hinge brackets.

3. That an injunction be issued perpetually enjoining and restraining the plaintiff, or anyone in privity with the plaintiff, from bringing or prosecuting any action at law or suit in equity charging infringement of said Letters Patent against the defendant, its subsidiaries, agents, vendees, suppliers, or others in privity with it;

4. That the Complaint be dismissed with costs to be assessed against plaintiff, and defendant be awarded damages, reasonable attorneys' fees and punitive damages; and

5. That the Court grant such other and further relief as shall be just.

Dated:

/s/ ALAN K. ROBERTS
Alan K. Roberts
Attorney for Defendant
19 West 44th Street
New York, New York 10036
(212) 687-2210

Agreed and Consented to
/s/ SAMUEL STOLL
Samuel Stoll
Attorney for Plaintiff
350 Fifth Avenue
New York, New York 10001

So Ordered—12/22/70
(ILLEGIBLE)
USDJ P.J.

APPENDIX K

Excerpts from Transcript of Trial Testimony.

Note: Numbers in parentheses ( ) refer to original pagination of the trial transcript.

(209) Mr. Berger: I will call as my first witness, George Gonsalves.

GEORGE GONSALVES, called as a witness by the defense, having first been duly sworn, testified as follows:
Direct Examination by Mr. Berger:

• • •

(220) Q. Did you become aware that Mr. Kramer filed a patent application on this part you designed? (221) A. Yes, I was.

Q. When did you become aware of it? A. We had all his tooling and we were stamping patent pending and patent numbers on it at his direction.

Q. Why didn't you insist on getting due credit as an inventor? A. I really had no knowledge of the patent laws at that time.

Q. What do you mean? What did you understand them to be? A. I really didn't understand them to to be anything in particular.

• • •

(227) Q. Did you also design these depressions? A. those depressions were requested by Mr. Kramer to lock the tube when it opened.

• • •

Mr. Berger: I have no further questions.

Mr. Bumgardner: Your Honor, I ask leave for either an adjournment or something before I cross

examine this witness. Your Honor will observe that the fraud charge was never pleaded with particularity in the answer or counter-claim, as is normally required in a fraud charge. I am hearing the story for the first time. I need some time to check these facts with my client before cross examining this witness. These allegations are all new to me.

(228) The Court: I am going to have to take a look at the file. I recognize, Mr. Bumgardner, that as an attorney who got into the case only a few days ago, things are quite difficult.

Mr. Bumgardner: I have the amendment to answer by stipulation here and your Honor can look at it and see that there certainly are not particulars.

The Court: I would like to look at it, I agree.

(Recess.)

• • •

(229) Cross Examination by Mr. Bumgardner:

• • •

(265) Q. Do you recall having testified that you designed this bracket? (266) A. Yes, I do.

Q. And it's your testimony that you did design this bracket? A. Yes, I did tell—yes, I did say that.

Q. I call your attention to Exhibits K and K prime and ask you if you testified that these represent in some way part of your design of bracket—of Exhibit 4. A. If I recall, this was a drawing that I showed to Mr. Kramer for his approval as to the design of the part.

Q. You made that drawing? A. Yes, I did.

Q. These are two prints of the same drawing; is that correct? A. Yes.

Q. Referring to the Exhibits K and K prime. Did you design that bracket at Mr. Kramer's request? A. Yes, I did.

Appendix K.

Q. Could you tell me again in what form Mr. Kramer's request to you was that you design that bracket? A. He brought me a competitor's part and he said that we would like to go into this bracket, we would like (267) to save the material by making the bracket out of the least amount of material; we would like to go to a thinner gauge, and he wanted me to see what I could do to come up with a design to meet those requirements.

• • •

(268) Q. Did he bring you a flattened blank or did he bring you a sample? A. No, I think he brought me the sample. We flattened it out for him.

• • •

(269) Q. Did he bring you anything else at that time besides the bracket? A. Not that I can recall, no.

Q. Did he bring you any drawing? A. No, he didn't.

Q. Did he bring you any sketches? A. No, he didn't.

Q. Did he bring you any paper blanks or blanks? Understand this to be plural or singular. A. No, he didn't. We might have sat down together and said, "Let's see how we could do it."

Q. In other words, you might have sat down and (270) discussed this at the time he requested you to do that? A. Yes.

Q. Do you recall there being any such discussions? A. Yes. There was practically on everything we did for him.

Q. Do you recall specifically, in connection with this assignment, that led to your drawing or preparing the original drawing of Exhibits K and K prime, do you recall specifically that there was a discussion then? A. Yes, there was.

• • •

(271) Q. Did he tell you what this product was? A. Yes, I am sure he did.

Appendix K.

Q. In other words, when he came to you with a bracket, you sat down and had a discussion and we'll assume for the purpose of argument that it might have been something like Exhibit A. A. Right. We discussed its function, how it was used and the critical points that had to remain.

Q. What did he say about that to you, Mr. Gonsalves? A. That it went on a folding cot.

Q. It went on a folding cot? A. And there was, I believe, a discussion that the leg had to remain on a slight angle so that the cot would not collapse when you sat on it.

Q. Did he tell you what angle that was? A. No, but I believe that we—together we checked the competitor's product to find out what the angle was.

Q. What angle did you find out that it was? A. At this point I wouldn't be able to remember now.

Q. What else did he tell you about the product? A. I really think there was much more that he told me.

(272) Q. Did he tell you anything about the angles of the legs or wings of the product as related to the centerline of the product in the flattened form? A. No, we really didn't discuss the flattened form except that I should make it choked up, close, interlocked, that it should not have any scrap.

• • •

(275) Q. Your recollection is he asked that there be two pairs of mounting holes; is that correct? A. That's correct.

Q. Do you recall how many were in the sample that he brought you? A. I really couldn't recall that.

Q. I am going to call your attention to Exhibit 4, which however is a product that you actually state that you have designed; is that correct? It's your statement that you designed Exhibit 4 or the original of it. A. This looks exactly what I designed.

Q. All right. I call your attention to the fact that it

has only two mounting holes; is that correct? A. That's correct.

Q. Can you explain to me how it came to have two mounting holes or one pair where when he originally asked you for two pairs or four mounting holes? A. I believe that this die has an option on it to make a number of holes. I believe the construction of the die had an option on it if I am not mistaken. In other words, there are times when you can either pierce four holes or pierce two holes.

Q. Why did that die come to have such an option? Is that Mr. Kramer's idea or was that yours? (276) A. I would have to say that was Mr. Kramer's because that would be a request on his part from his selling source as to how they would like it mounted.

Q. Your company actually built that die, did it not? A. Yes, it did.

Q. And your company actually operated that die in production for some period of time? A. Yes, it did.

• • •

(280) Q. Did Mr. Kramer give you any instructions as to what size holes to make provision for in your product design and in the die? A. I am sure he did.

• • •

(281) Q. Now, I call your attention to two little depressions which appear out near the wing holes. Do you see those two little depressions? A. Yes, I do.

Q. Did Mr. Kramer instruct you to put those two depressions in the die? A. Yes, he did.

Q. Or provision for making them? A. Yes, he did.

Q. Did he tell you what the purpose was? A. Yes, he did.

Q. What was that purpose? A. The purpose that he stated at the time was that it was to lock the leg from coming back out.

Q. Did you understand that to be when the cot was in the folded or open position? A. Yes, that's correct.

(282) Q. Which? A. The cot was in the open position.

• • •

Q. Did the sample which you say Mr. Kramer brought to you of a competitor's product have a saddle tab? A. That I don't recall.

Q. Were you asked by Mr. Kramer to make provision for a saddle tab when you made the product design of (283) Exhibit K-1 and the die for making Exhibit 4? A. Yes, we had a discussion that a saddle should be added.

• • •

(284) Q. I believe you testified on Friday and also earlier today one of Mr. Kramer's instructions to you were to get the most out of the strip of material; that's the essence of your testimony; is that correct? A. That's correct.

• • •

Q. Did he suggest to you that this product could be altered in some way to make it more possible to nest it? A. Yes, he did.

Q. What suggestion did he make? A. I wouldn't recall, but very little. He left it to me.

(285) Q. You just told me a minute ago that he did make some suggestions as to how to do that. What were those suggestions? A. He said we would have to use lighter gauge material, design ribbing or raised bumps. Use the shortest possible strip length, choke the blank together.

• • •

Q. Do you recall testifying on Friday that—as to how you went about doing the product design which is depicted in Exhibit K Prime; do you recall testifying to that? A. Yes, I do.

(286) Q. How did you go about it? Would you repeat that so that I have it in mind? A. Well, upon first looking at it, it looked like a fairly easy arrangement to redesign

Appendix K.

the product. But when it really got down to facts it became a little more difficult. And just making some sketches didn't solve the problem—didn't solve the design.

I had to realize what could be changed and what had to remain. The location of the hinging holes as compared to the saddle has to remain, because that's—produces the angle of the leg when the cot is open and that was an established request by the cot manufacturers that when you sat on the cot, the leg had an outward angle so it shouldn't collapse. This couldn't be changed.

To nest the two pieces or to bring them closer together, the back in—well, on Friday it was requested to say this is the bottom?

Q. I don't care. A. The bottom of the blank has to match the top of the blank.

• • •

(287) Q. Just so we have our nomenclature. A. In redesigning the product, I could take the least amount of liberties with this end of the blank.

Q. Meaning the top end? A. The top end of the blank. The two holes that produced the hinge and the portion that produced the saddle to remain as the original was for distance. You could make some changes on it. I also had to be sure that I left enough for material around the holes for physical strength, and I had to produce a design that would both satisfy the front end and the back end.

The Court: That's the top end of the blank.

A. The top end of the blank, I am sorry, your Honor. I believe that was my explanation Friday as to how I went about this design.

Q. Do you recall testifying on Friday that you came to realize that the bottom end was the only part that could be changed to any great degree? A. That's correct.

• • •

Appendix K.

(296) Q. In other words, it's your testimony now that contrary to what you said a few minutes ago you didn't make any calculations to speak of in order to design the product? A. No.

Q. And any calculations you made related to the die? A. That's correct.

• • •

(297) Q. Did you make any calculations or in arithmetic or trigonometry or anything of that type in order to figure out how near a zero scrap operation you could get in your product design? A. No, I didn't make any calculations.

• • •

(300) Q. Do you have any notes, calculations or drawings which led up to the preparation of Exhibit K Prime? A. I don't.

• • •

(310) Mr. Gonsalves, if you had known at the time that you were manufacturing these parts with patent pending on them, what you know now about the patents, would you have made any objection to Mr. Kramer filing this pending application? A. I feel that I would have.

Mr. Bumgardner: I would like to have marked for identification a soft copy of U.S.—this is a xerox copy taken from the library, of U.S. Patent No. 3423113.

(Plaintiff's Exhibit 19 marked for identification.)

• • •

Q. Mr. Gonsalves, I show you Exhibit 19 for identification and acknowledging that it's a reproduction or copy of something, can you identify what that document is in its original form? (311) A. Yes, it looks like a patent that I hold.

Q. Well, is it a patent that you hold? A. Yes, I hold a patent on the device, just like this. This looks like the patent.

Q. In other words, it says at the top, does it not, the patent is issued to G.E. Gonsalves, et al., is that correct? A. That's correct.

Q. Is that your name? A. Yes, it is.

Q. And it's patent no. 3423113, is that correct? A. Yes, that's correct.

Q. Do you recognize that to be a patent belonging to you ? A. Yes, I do.

• • •

(312) Q. When did you first consult a patent attorney with respect to the preparation of the application for this patent? A. I believe it took us about a year and a half to get the patent. So if the issuing date is on here—well, there's a file date.

Q. That's right. I called your attention specifically to the file date. A. Obviously this is the file date on the patent. (313) It says January 10, 1966.

• • •

Q. Calling your attention specifically to the filing date, which appears on this exhibit, Mr. Gonsalves, I ask you now if you now recall when you first consulted the patent attorney in order to obtain this patent, to file the application for you? A. I wouldn't remember the date. I could probably research the date through my records but it would be a number of months before that date.

Q. It was a number of months before the filing date, in other words? A. Well, I would say two months. It took my patent attorney some time to file.

(314) Q. You do recall that it took him some period of time to do whatever he did to get the application ready for you to sign; is that correct? A. Right.

Q. And that may have been as little as two months or might be somewhat greater number of months; is that

correct? A. I would say at this point now I understand the question better. It's approximately two months.

Q. All right. During the course of that time, you had some conversations with your patent attorney, did you not? A. Yes, that's correct.

Q. Did he explain anything to you about patent rights and how they could be obtained and what could be patented and what could not? A. Yes, he did.

Q. And he asked you a lot of questions in order to get information for the application also, did he not? A. Yes, he did.

Q. In other words, he told you something about patent law and you in turn told him about the invention? A. That's correct.

Q. Now, calling your attention to the fact that at (315) least two months before January 10, 1966, you apparently first came in contact with the patent attorney of your own and had conversations with him about the patent law, patent rights, during that period of time, and calling your attention also to the fact that U.S. Patent No. 3310—3310268, that is, the patent in suit, didn't issue until March 21, 1967? A. Right.

Q. Is it a fact that you were fully advised on certain aspects of the patent laws while you were making parts of said patent pending on them in the style of Exhibit 4? A. Yes.

• • •

(319) Mr. Berger: The defendant would like to call as its next witness, Mr. Dosso.

The Court: By the way, the record should reflect by stipulation of counsel Mr. Gonsalves is to return tomorrow for continued cross examination.

Appendix K.

FELICE Dosso, called as a witneses by the defense, having been duly sworn, testified as follows:

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(327) Cross Examination by Mr. Bumgardner:

• • •

(360) Mr. Dosso, when Mr. Kramer came and brought a part like Exhibit C, and asked Mr. Gonsalves to do something, (361) did he say what Exhibit C was for? A. Yes. He say it's for the bed, for the cot.

Q. Did he show Mr. Gonsalves how it went on the cot? A. Yes, he show it went on the pipe.

Q. You— A. We didn't have no cot in the shop to show a cot.

Q. Did he have some tubing, did he demostrate how it fit? A. Yes.

Q. Did he say anything about angles to Mr. Gonsalves? A. No.

Q. You are quite sure there was no discussion of angles? A. Yes.

Q. How many pieces of tubing did he use to show how the bracket fit? A. Two.

Q. Two? A. Yes.

Q. Did he hold them in some particular way? A. Yes.

Q. In what way was that? A. One tube it fits in here and the other tube it (362) fits across.

Q. Like a T? A. Right.

Q. Were they at right angles to each other? A. No.

Q. One of them was on a slant? A. Yes.

Q. Did Mr. Kramer discuss why it had to be on a slant? A. Yes.

Q. Did he discuss how slanted it had to be? A. Well, he say it can be the same as that.

Q. Showing, in other words? A. Yes.

APPENDIX L

Constitutional Provisions, Statutes and Rules Involved

Constitution of the United States:

AMENDMENT V—CAPITAL CRIMES; DOUBLE JEOPARDY; SELF-INCRIMINATION; DUE PROCESS; JUST COMPENSATION FOR PROPERTY

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

AMENDMENT VI—JURY TRIAL FOR CRIMES, AND PROCEDURAL RIGHTS

In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the Assistance of Counsel for his defence.

Statutes

(United States Code, Title 18—Crimes)

§ 1621. *Perjury generally*

Whoever, having taken an oath before a competent tribunal, officer, or person, in any case in which a law of the United States authorizes an oath to be administered, that he will testify, declare, depose, or certify truly, or that any written testimony, declaration, deposition, or certificate by him subscribed, is true, willfully and contrary to such oath states or subscribes any material matter which he does not believe to be true, is guilty of perjury, and shall, except as otherwise expressly provided by law, be fined not more than $2,000 or imprisoned not more than five years, or both. This section is applicable whether the statement or subscription is made within or without the United States.

(United States Code, Title 35—Patents)

§ 101. *Inventions patentable*

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

§ 115. *Oath of applicant*

The applicant shall make oath that he believes himself to be the original and first inventor of the process, machine, manufacture, or composition of matter, or improvement thereof, for which he solicits a patent; and shall state of what country he is a citizen. Such oath may be made before any person within the United States authorized by law to administer oaths, or, when made in a foreign country, before any diplomatic or consular officer of the United

States authorized to administer oaths, or before any officer having an official seal and authorized to administer oaths in the foreign country in which the applicant may be, whose authority shall be proved by certificate of a diplomatic or consular officer of the United States, and such oath shall be valid if it complies with the laws of the state or country where made. When the application is made as provided in this title by a person other than the inventor, the oath may be so varied in form that it can be made by him.

§ 116. *Joint inventors*

When an invention is made by two or more persons jointly, they shall apply for patent jointly and each sign the application and make the required oath, except as otherwise provided in this title.

If a joint inventor refuses to join in an application for patent or cannot be found or reached after diligent effort, the application may be made by the other inventor on behalf of himself and the omitted inventor. The Commissioner, on proof of the pertinent facts and after such notice to the omitted inventor as he prescribes, may grant a patent to the inventor making the application, subject to the same rights which the omitted inventor would have had if he had been joined. The omitted inventor may subsequently join in the application.

Whenever a person is joined in an application for patent as joint inventor through error, or a joint inventor is not included in an application through error, and such error arose without any deceptive intention on his part, the Commissioner may permit the application to be amended accordingly, under such terms as he prescribes.

§ 256. *Misjoinder of inventor*

Whenever a patent is issued on the application of persons as joint inventors and it appears that one of such persons was not in fact a joint inventor, and that he was included as a joint inventor by error and without any

deceptive intention, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate deleting the name of the erroneously joined person from the patent.

Whenever a patent is issued and it appears that a person was a joint inventor, but was omitted by error and without deceptive intention on his part, the Commissioner may, on application of all the parties and assignees, with proof of the facts and such other requirements as may be imposed, issue a certificate adding his name to the patent as a joint inventor.

The misjoinder or nonjoinder of joint inventors shall not invalidate a patent, if such error can be corrected as provided in this section. The court before which such matter is called in question may order correction of the patent on notice and hearing of all parties concerned and the Commissioner shall issue a certificate accordingly.

§ 285. *Attorney fees*

The court in exceptional cases may award reasonable attorney fees to the prevailing party.

(Federal Rules of Civil Procedure, 28 U.S.C.:)

• • •

Rule 9, Pleading Special Matters

• • •

(b) Fraud, Mistake, Condition of the Mind. In all averments of fraud or mistake, the circumstances constituting fraud or mistake shall be stated with particularity. Malice, intent, knowledge, and other condition of mind of a person may be averred generally.

• • •

Rule 52, Findings by the Court

(a) Effect. In all actions tried upon the facts without a jury or with an advisory jury, the court shall find the facts specially and state separately its conclusions of law

thereon, and judgment shall be entered pursuant to Rule 58; and in granting or refusing interlocutory injunctions the court shall similarly set forth the findings of fact and conclusions of law which constitute the grounds of its action. Requests for findings are not necessary for purposes of review. Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses. The findings of a master, to the extent that the court adopts them, shall be considered as the findings of the court. If an opinion or memorandum of decision is filed, it will be sufficient if the findings of fact and conclusions of law appear therein. Findings of fact and conclusions of law are unnecessary on decisions of motions under Rules 12 or 56 or any other motion except as provided in Rule 41(b).

(b) Amendment. Upon motion of a party made not later than 10 days after entry of judgment the court may amend its findings or make additional findings and may amend the judgment accordingly. The motion may be made with a motion for a new trial pursuant to Rule 59. When findings of fact are made in actions tried by the court without a jury, the question of the sufficiency of the evidence to support the findings may thereafter be raised whether or not the party raising the question has made in the district court an objection to such findings or has made a motion to amend them or a motion for judgment.

APPENDIX M

Specification and Claims of the Application for the Patent in Suit

458148

MAIL ROOM
MAY 24 1965
U.S. PATENT OFFICE

This invention relates to improvements in hinge brackets, and more particularly to an improved hinge bracket for

hingedly connecting tube, rod and like members adapted to swing relatively to one another. As illustrative, the invention will be described as applied to folding cot structure, wherein improved hinge brackets as herein contemplated are employed as a means for hingedly connecting the legs to the cot frame, usually the side rails of said cot.

Stated broadly, a major object of the invention is the provision of an improved hinge bracket for hingedly connecting two members which are adapted to swing or fold with respect to one another, from or to a "set up" position to and from a folded or collapsed position, and which is so constructed and arranged that it also serves effectively to brace the one member which partakes of swinging motion with respect to the other when said members are in their "set up" position.

More particular objects of the invention are the provision of a hinge bracket especially designed and suited for use in folding cot construction, wherein the hinge bracket serves primarily to connect a folding leg to a cot-frame member, but whose construction is such that it also functions as an effective leg brace for the leg which it connects when said leg is extended to its in-use or set-up position; the provision of a hinge bracket as aforesaid which incorporates an integral part serving in the set-up position of the leg as an effective seat for the member to which it is hingedly connected; and the provision of a hinge bracket as aforesaid which further incorporates integral means which assists in maintaining said leg in its folded-up position with respect to the cot frame, upon said leg having been moved to that position.

Still another important object of the invention is the provision of an improved, simplified and economical method of fabricating hinge brackets as aforesaid from flat strip stock.

The above and other objects and features of advantage of a hinge bracket and hinge bracket blank configuration method of fabricating same according to the present in-

vention will become apparent from the following specification and accompanying drawings, wherein

Fig. 1 is a broken-away plan view of a partially blanked-out strip illustrative in part of the manner of fabricating hinge brackets of the invention from strip stock and further illustrating the configuration of an individual hinge-bracket blank as herein contemplated;

Fig. 2 is a broken-away perspective view of the end portion of a folding cot which illustrates a typical application of hinge brackets of the invention, i.e. in hingedly connecting the supporting legs to the side rails of the frame of a folding cot;

Fig. 3 is a vertical section taken through one of the hinge brackets shown in Fig. 2, which depicts its leg connecting and bracing functions;

Fig. 4 is a view corresponding to Fig. 3 but showing the leg folded against the cot side-rail; and cot end-leg.

Fig. 5 is a perspective view of a hinge bracket of the invention disassociated from both cot side-rail and cot end-leg.

Referring to the drawings in detail, it will be understood that the partially shown folding cot 10 illustrated in Fig. 2 is exemplary only of various folding or collapsing type constructions to which hinge brackets of the invention are suited. More particularly, such a typical construction comprises a body frame including two longitudinal side rails 12, 14 and legs 16, 18 acting in concert with other legs (not shown) normally to support said frame in its "in use" or set-up position. As is generally true for all types of folding cots, said legs are pivotally connected to said side rails for swinging movement to and from a set-up position (Figs. 2 and 3) from and to a folded or collapsed position as in Fig. 4.

According to the invention, each said leg-to-side rail connection is provided by a hinge bracket generally designated 20 and which basically comprises an elongated body portion 22 of U-section corresponding to that of the leg or other part which it is to receive, and parallelly disposed,

plannar side wings 24, 26 extending forwardly-upwardly from the opposite sides or arms of said body portion. As shown, said body portion is semi-cylindrical because the leg 16 or 18 which it is adapted to receive has circular section, and it has radius slightly in excess of that of said leg 16 or 18, so that the latter is readily receivable therein. The axial length of said body portion is appreciable so that when the bracket is fitted to the upper end portion of a leg, it will enclose a substantial length portion thereof.

The bracket side wings 24, 26 are spaced apart a distance slightly greater than the external diameter (or other width dimension if non-circular) of a side rail 12, 14 (which diameter or dimension will ordinarily be that of the legs 16, 18), and thus a side rail will be freely receivable between said wings. The extent of forward-upward extension of the side wings, 24, 26 from the top edge of the body portion of the bracket is somewhat greater than the diameter (or width dimension) of a side rail, being determined by the angle of inclination that a leg when extended is to bear to a side rail and by the uppermost ends of said side wings being capable of forming mounting ears for the rivet which is to pivotally connect the bracket to said side rail. Stated otherwise, said side wings extend forwardly-upwardly beyond the top edge 22*a* of said bracket body portion 22 a distance such as will establish a predetermined angular relation (approximately 120° in the typical construction shown) between the axis of the side rail received between the upper end portions of said side wings and the longitudinal axis of said body portion and the leg associated therewith, when said leg is swung away from the rail to a position such that said rail bears on the top edge of the bracket body portion, and the extension of said wings will also be such as to provide enough area to the respective upper-end portions thereof that said portions can serve as mounting ears (designated 24*a*, 26*a*,) for the cross pin or rivet which is to pivotally connect said bracket to a side rail and which desirably is to pass through the side rail on a horizontal diameter thereof.

As best seen in Figs. 3 and 4, each said bracket 20 is affixed to the upper end portion of the leg which it serves by one or more rivets (one rivet 28 being shown). Illustratively, said rivet 28 passes through the bracket body portion and leg on a diameter located approximately midway of the axial length of said body portion, but this rivet positioning may be varied. By reference to Fig. 3 in particular, it will be seen that said bracket body portion in its top edge is provided with an integral, inwardly extending tab 30 which extends over the top edge of said leg and thus acts in concert with said rivet 28 in establishing and maintaining the proper vertical position of the bracket with respect to the leg to which it is connected. A cross pin or rivet 32 extending through holes in the aforesaid rail-receiving or mounting ears 24a, 26a (in which the upper portion of said side wings 24, 26 terminate) serves as a pivot about which the assembled leg and bracket may swing to and from the respective leg positions shown in Figs. 3 and 4.

Fig. 5 in particular illustrates a further advantageous feature of the invention, namely, that of the outwardly projecting, crosswise extending strengthening ribs 34a, 34b and the similarly outwardly projecting upwardly-forwardly inclined strengthening ribs 36a, 36b provided in the body portion 22 and side wing portions 24, 26, respectively, of the bracket. Said ribs and their illustrated disposition are such that they effect substantial strengthening of the bracket as compared to one devoid of such ribs, and accordingly a bracket having such strengthening ribs may be made of lighter gage stock than hitherto considered possible.

Another feature of advantage of the hinge bracket of the invention is that provided by the depressions 38a, 38b sunk into the side wing portions 24a, 24b at locations thereof such that when a leg and its attaching bracket are swung to their folded up or collapsed position against a frame side-rail as in Fig. 4, said depressions "move over

center" with respect to said side rail and thereupon serve to frictionally hold said leg and bracket in that position. Such assumes, which is as intended here, that the inner surfaces of said depressions 38a, 38b are spaced apart a distance slightly less than the external diameter of the side rail.

Reverting to the aforementioned tab 30 formed on the upper-end edge of the semi-cylindrical body portion 22 of the hinge brackets, such by reference to Fig. 5 preferably has an upwardly concave surface shaped complementally to the under periphery or side of the side rails 12, 14. Thus, rather than seating against a non-conforming and sharp top edge of a leg, each side rail seats against an inbent tab surface that not only has substantial area as compared to said top edge proper but also a surface which conforms to that of the periphery or underside of said rail. Fig. 5 also shows a recess designated 30a in the bottom edge of the body portion 20 of the bracket, as results from the brackets of the invention being blanked out from immediately contiguous areas of continuous strip stock, as will now be briefly described.

Referring to Fig. 1, such illustrates a strip-form starting blank B in the process of being moved through a progressive die (not shown) but this view may also be taken as illustrating a fixed strip or blank being acted upon progressively by a movable die which moves along said strip. In a first stage, the aforesaid strengthening ribs, 34a, 34b, 36a, 36b and the depressions 38a, 38b, are formed in the blank. In the next stage, the rivet holes are punched in the blank. In a final stage, individual bracket blank designated BB is struck off from the strip B, and in the same operation the aforesaid tab may be formed in embryo by striking out from the material ultimately to form the lower-end edge of the semi-cylindrical body portion 22 of each next preceding bracket blank. Thus, each bracket blank as it is formed has a tab projecting from one edge, ultimately to be the top edge of the elongated

body portion of the finally shaped bracket, and a recess 30a in the opposite edge destined to form the bottom end edge of said body portion. Alternatively, the individual bracket blanks BB may be blanked out except for the tabs 30 in a next-to-final stage and said tabs formed only when the so-formed blanks are finally severed one from the other. According to such procedure, the tabs in embryo provide connecting webs between the blanks BB up to the time of actual tab severance.

The individual blanks BB leaving the die may be stored or they may be immediately delivered to bending apparatus which bends them about their longitudinal center lines to their final curvature and shape. This bending operation may also impart the upwardly concave shaping to the tabs 30, or such may be imparted in a separate operation as desired. Alternatively, bending of the blanks as aforesaid may be effected in the same or approximately the same operation as that effecting severance of the blanks from the strip and/or forming of the tabs 30.

It is particularly noteworthy that the bracket blanks BB coming from the die are so configured that scrap is minimal. That is to say, the bracket blank areas extend entirely across the starting blank B since the rear lines of each preceding bracket blank coincide with the front lines of each next following bracket blank except for the small areas designed *x* and *y* (Fig. 1) which are negligible, the bracket blanks may be formed substantially without scrap loss. Thus, hinge brackets of the invention may be produced in quantity very economically as compared to prior hinge brackets serving similar function.

Analysis of Figs. *2* and *3* will further show that a hinge-bracket according to the invention serves as a leg brace as well as a leg hinge and thus makes the provision of separate leg-bracing means employed in folding leg constructions wholly unnecessary. Also to be observed is that a hinge bracket of the invention incorporates within its own structure effective friction means, i.e. the inward depressions 38a,

38b, capable of securing the leg which it connects in its folded-up position with respect to an associated frame side rail, and thus it constitutes a self-contained structure performing the manifold functions which the ideal hinge bracket could be expected to perform.

As many changes could be made in carrying out the above constructions without departing from the scope of the invention, it is intended that all matter contained in the above description or shown in the accompanying drawing shall be interpreted as illustrative and not in a limiting sense.

I. Claims:

1. A hinge bracket for pivotally connecting tube, rod and like members for relative swinging movement with respect to one another comprising: an elongated body portion having generally U-section and adapted to receive and partially enclose the upper end portion of one said member and side wings extending forwardly-upwardly from said body portion and terminating at their upper ends in ear formations which are spaced apart an amount enabling the reception of the other of said members therebetween; means for fixedly securing said body portion to the upper end portion of said one member and in position such that the relatively top edge portions of each are substantially at the same level said ear formations having aligned holes for the reception of a pivot pin which is adapted to be passed cross-wise through same and through said other member received therebetween; and said top edge of the body portion of the bracket having an integral, inwardly projecting tab whose relatively upper surface is shaped to conform to the relatively under surface of said other member received between said ear formations.

2. A hinge bracket according to Claim 1, wherein said body portion is provided with at least one crosswise extending strengthening rib and said wing portions are each

provided with at least one forwardly-upwardly inclined strengthening rib.

3. A hinge bracket according to Claim 1, wherein said ear formations are provided with inward depressions so located along corresponding edges thereof that they move over center of the aligned holes provided in said formations when said bracket is swung with said one member to a position in which said one and other members are substantially parallel.

4. The method of fabricating hinge brackets for pivotally connecting a first tube, rod and like member to a second such member which comprises the steps of: advancing an elongate starting blank having width corresponding to that of the individual bracket blanks to be formed intermittently through a progressive die; and in a succession of stages, first blanking out a succession of individual bracket blanks from contiguous length areas of said starting blank and in such manner as to form on the forward edge portion of each bracket blank a formation comprising an area struck out from the rearward edge portion of each next preceding bracket blank, and then bending said individual blanks to final bracket form.

5. The method according to Claim 4, and the further step of shaping the formation provided on the bracket blanks so that their relatively upper surfaces conform to the relatively under surfaces of the second members with which the final hinge brackets are to be associated.